VIRGINIA:

IN THE CIRCUIT COURT OR FAIRFAX COUNTY

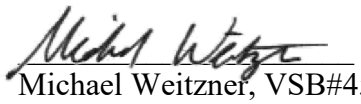
JOSHUA EVERETT BUSHMAN ADMINSTRATOR FOR THE ESTATE OF CALVIN VAN PELT, et al.,	:	
Plaintiffs,	:	
	:	**Case No: CL2023-06260**
v.	:	
SALVO TECHNOLOGIES, INC. d/b/a 80 P BUILDER, et al.	:	
Defendants.	:	

DEFENDANT'S MOTION BY SPECIAL APPEARANCE TO DISMISS FOR LACK OF PERSONAL JURISDICTION

Defendant Salvo Technologies, Inc. moves by special appearance under Supreme Court Rules 3:8 and 4:15, to dismiss all claims against it for lack of personal jurisdiction, for the reasons stated in the accompanying brief.

December 15, 2023

Respectfully submitted,



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Counsel for Defendant Salvo Technologies, Inc. by Special Appearance

BRIEF IN SUPPORT OF DEFENDANT SALVO'S MOTION TO DISMISS FOR LACK OF PERSONAL JURISDICTION

Plaintiffs sue various companies alleged to have sold parts that were ultimately assembled into a firearm used by a criminal to tragically shoot two teenagers. Defendant Salvo Technologies, Inc. ("Salvo") moves, by special appearance, to dismiss Plaintiffs' claims against it for lack of personal jurisdiction. Salvo is a Florida corporation, and it took no action in Virginia that could give rise to liability for the claims alleged. Nor does Salvo have successor liability for actions of the previous owners of the website alleged to have sold parts into the Commonwealth. In short, there is nothing linking Salvo to the Commonwealth sufficient to confer personal jurisdiction.

BACKGROUND

On April 25, 2021, eighteen-year-old Zackary Burkard fatally shot two classmates in Fairfax County. Burkard was convicted of voluntary manslaughter earlier this year. The victims' estate administrators now allege that he shot his classmates with a firearm assembled from parts he purchased on the website 80P Builder. Am. Compl. ¶¶ 91–92, 96, 98–99 (Sept. 29, 2023) ("Compl."). Burkard allegedly purchased the parts from 80P Builder's website "[o]n or around February 1, 2021." *Id.* ¶ 91. Plaintiffs allege that, at the time, Defendants BUL USA, LLC and Okori LLC, "together or separately, were responsible for the operation of the 80P Builder website." *Id.* ¶ 21. Along with these and other Defendants, Plaintiffs also name Salvo. *See id.* ¶ 18.

Salvo is chartered and headquartered in Florida. Decl. of Patrick Bass ¶ 2 (July 27, 2023) ("Bass Decl."). On March 1, 2021, Salvo entered into an Asset Purchase Agreement with Okori to procure specified "equipment, inventory, and intellectual property." Asset Purchase Agreement (Mar. 1, 2021) ¶ 1(a), attached to Bass Decl. as Ex. 1 (hereinafter "APA"); *see also* Bass Decl. ¶ 3. Part of the intellectual property Salvo purchased was the 80P Builder website. APA ¶ 1(a), (c).

According to Plaintiffs, 80P Builder was formerly operated by defendant BUL USA, LLC, a North Carolina LLC that dissolved in December 2022. Compl. ¶ 19. BUL USA was not party to Salvo's APA with Okori, nor is it included in any of the rights or liabilities conveyed in the APA. Bass Decl. ¶ 5; *see generally* APA. Salvo has no other contracts with BUL USA. Bass Decl. ¶ 6.

ARGUMENT

Plaintiffs bear the burden to establish that this Court has personal jurisdiction over Salvo. *See, e.g.*, *Talenthunter LLC v. S. Co. Servs.*, 87 Va. Cir. 363, 2014 WL 3972897, *2 (Va. Cir. Ct. 2014). Determining personal jurisdiction is a two-step inquiry. First, Virginia's long-arm statute must reach Salvo "given the cause of action alleged and the nature of [Salvo's] Virginia contacts." *Davey Tree Expert Co. v. Jackson*, 69 Va. Cir. 350, 2005 WL 3789583, *2 (Va. Cir. Ct. 2005). Second, exercising jurisdiction must comply with Fourteenth Amendment Due Process. *See id.* Dismissal is appropriate here because "all of the alleged facts taken together fail to establish the existence of personal jurisdiction." *Talenthunter LLC*, 2014 WL 3972897, at *2.

I. Salvo Lacks the Relevant Contacts To Satisfy Virginia's Long-Arm Statute

As relevant here, Virginia's long-arm statute confers personal jurisdiction over Salvo only for causes of action "arising from" its in-state transaction of business or its alleged infliction of tortious injury if it "regularly does or solicits business, or engages in any other persistent course of conduct, or derives substantial revenue from goods used or consumed or services rendered," in Virginia. VA. CODE ANN. § 8.01-328.1(A)(1), (4). While this long-arm statute requires "only one transaction in Virginia to confer jurisdiction," *Peninsula Cruise, Inc. v. New River Yacht Sales, Inc.*, 512 S.E.2d 560, 562 (Va. 1999), that "single act" can confer personal jurisdiction *only* as to those claims that "*aris*[*e*] *from*" the Defendant's in-state actions, VA. CODE ANN. § 8.01-328.1(A). Indeed, paragraph C of section 8.01-328.1 repeats the point: "only a cause of action arising from acts enumerated in this section may be asserted against [a defendant]." *Id.* § 8.01-328.1(C).

The Commonwealth's courts have repeatedly enforced this limit on their jurisdiction. In *Gallop Leasing Corp. v. Nationwide Mutual Insurance Co.*, for example, the Virginia Supreme Court held that Nationwide Mutual could not sue car leasing company Gallop in Virginia over alleged misrepresentations underlying one of its car insurance policies "because Nationwide did not assert a cause of action *arising from* any acts of Gallop in Virginia." 418 S.E.2d 341, 341–42 (Va. 1992). While the court assumed "that Gallop did transact business in Virginia as contemplated in Code § 8.01–328.1(A)(1)," it found no personal jurisdiction because the alleged misrepresentations giving rise to the claim were made by the lessor rather than Gallop. *Id.* at 342–43. Other cases are to similar effect. *See, e.g.*, *N.Y. Com. Bank v. Heritage Green Dev., LLC*, 95 Va. Cir. 278, 2017 WL 9833490, at *3 (Va. Cir. Ct. Mar. 7, 2017).

Here, none of the causes of action alleged in the Complaint arise from any of Salvo's acts within Virginia. This is true for a simple reason: the alleged sale of the firearm parts to Burkard occurred *before* Salvo had acquired any of Okori's assets, including its intellectual property in 80P Builder. The Complaint alleges that the sale took place "[o]n or around February 1, 2021." Compl. ¶ 89. But the APA conferring 80P Builder to Salvo was executed (and took effect) several weeks later, on March 1, 2021. APA ¶ 6. Indeed, Plaintiffs concede this point: Salvo "has been responsible for the operation of the 80P Builder website since March 1, 2021." Compl. ¶ 22. Accordingly, none of Plaintiffs' claims arise out of any action taken by Salvo in Virginia, and there is no personal jurisdiction under Code § 8.01-328.1.

II. Exercising Jurisdiction Does Not Comport With Due Process

The due process analysis for personal jurisdiction produces a similar result. Salvo must have "certain minimum contacts" with Virginia through which it "purposefully availed itself" of the privilege of doing business there. *Carter v. Wake Forest Univ. Baptist Med. Ctr.*, 883 S.E.2d 693, 698–99 (Va. Ct. App. 2023) (cleaned up). "[A]n essential criterion in all cases is whether the

'quality and nature' of the defendant's activity is such that it is 'reasonable' and 'fair' to require him to conduct his defense in [the forum] State." *Orchard Mgmt. Co. v. Soto*, 463 S.E.2d 839, 843 (Va. 1995) (quoting *Kulko v. Cal. Superior Ct.*, 436 U.S. 84, 92 (1978)).

Again, Plaintiffs only tie Salvo to Virginia through its "operation of the 80P Builder website." Compl. ¶ 18. But as explained, when Burkard allegedly purchased the firearm parts from 80P Builder, Salvo had no interest in the website. Salvo first acquired the website through the APA executed on March 1, 2021. Because Plaintiffs fail to allege any other contacts Salvo had with Virginia, exercising personal jurisdiction over Salvo would violate the Due Process Clause.

III. Corporate Successor Liability Does Not Confer Personal Jurisdiction Over Salvo

While Virginia courts have not addressed the issue, the Fourth Circuit has held that personal jurisdiction may sometimes arise if a predecessor company's actions can be imputed to the successor purchasing its assets.[1] *City of Richmond v. Madison Mgmt. Grp., Inc.*, 918 F.2d 438, 454 (4th Cir. 1990). Of course, if there is no personal jurisdiction over the predecessor company to begin with, any claim of personal jurisdiction rooted in successor liability necessarily fails. In other words, if this Court concludes that it lacks personal jurisdiction over Okori—and it should—it must also conclude that it lacks personal jurisdiction over Salvo as a successor.[2]

In analyzing whether personal jurisdiction exists over Salvo under a successor liability theory, this Court first must look to forum law to decide which state's law applies. *See id*. Because successor liability "is derived from an analysis of the relationship between two corporate parties and the agreements undertaken between those parties[,]" it is best characterized as an issue of

[1] Salvo analyzes this issue because Plaintiffs included an allegation in their Amended Complaint suggesting that they may make a successor liability argument. *See* Compl. ¶ 120.

[2] Salvo hereby incorporates by reference the arguments in Okori's motion to dismiss for lack of personal jurisdiction. *See* Mem. in Support of Okori's Mot. to Dismiss at 3–10.

contract, not tort. *Ambrose v. Southworth Prods. Corp.*, 953 F. Supp. 728, 734 (W.D. Va. 1997). And under Virginia law, "the law of the place where the contract was formed applies when interpreting the contract and determining its nature and validity." *Dreher v. Budget Rent-A-Car Sys., Inc.*, 634 S.E.2d 324, 327 (Va. 2006); *Ambrose*, 953 F. Supp. at 733. Here, Salvo is a Florida corporation, the APA with Okori was formed in Florida (and Plaintiffs have not alleged otherwise), and that agreement specifies that its terms shall be construed in accordance with, and governed by, Florida law. Bass Decl. ¶ 2; APA ¶ 10. Thus, Florida law applies in deciding whether Salvo may be held liable as a successor to Okori—and thus whether Okori's alleged sale of the parts at issue provides a basis for personal jurisdiction over Salvo.[3]

Plaintiffs fail to allege any relevant facts establishing that Salvo has successor liability for the actions of 80P Builder's previous owners.[4] Successor liability "is based on the notion that no corporation should be permitted to commit a tort or breach of contract and avoid liability through corporate transformation in form only." *Lab. Corp. of Am. v. Pro. Recovery Network*, 813 So.2d 266, 269 (Fla. Dist. Ct. App. 2002). The "vast majority of jurisdictions follow the traditional corporate law rule which does not impose the liabilities of the selling predecessor upon the buying successor company[.]" *Bernard v. Kee Mfg. Co., Inc.*, 409 So.2d 1047, 1049 (Fla. 1982). There are only a few limited exceptions to this general rule:

> (1) The successor expressly or impliedly assumes obligations of the predecessor, (2) the transaction is a de facto merger, (3) the successor is a mere continuation of the predecessor, or (4) the transaction is a fraudulent effort to avoid liabilities of the predecessor.

[3] If this Court finds that Virginia law applies instead, the analysis produces the same result: Plaintiffs allege no facts satisfying the exceptions to the general rule that asset purchasers do not assume the liability of selling companies. *See, e.g.*, *Harris v. T.I., Inc.*, 243 Va. 63, 70–71 (Va. 1992); *Taylor v. Atlas Safety Equip. Co., Inc.*, 808 F. Supp. 1246, 1250–53 (E.D. Va. 1992).

[4] Because Salvo has no relationship with BUL USA and the APA does not mention BUL USA, Salvo refers to 80P Builder's prior owner as Okori throughout this section. But the same arguments would apply equally to BUL USA were they a prior owner of 80P Builder.

Corp. Exp. Off. Prods., Inc. v. Phillips, 847 So.2d 406, 412 (Fla. 2003). Plaintiffs "must specifically plead the exceptions to the general rule on which [they] rel[y]" to state a claim. *Etkin & Co., Inc. v. SBD, LLC*, No. 11-cv-21321, 2015 WL 11714357, at *6 (S.D. Fla. Sept. 1, 2015); *see also Bud Antle, Inc. v. E. Foods, Inc.*, 758 F.2d 1451, 1457 (11th Cir. 1985). Plaintiffs do not. Indeed, they fail to allege *facts* supporting any exception. The default rule thus controls: Salvo cannot be sued in Virginia—much less held liable—based on acts of 80P Builder's prior owners.

First, Salvo did not agree (expressly or otherwise) to assume any of Okori's liabilities or obligations (regardless of when they occurred or arose). The APA conveyed only certain enumerated assets to Salvo, free and clear of all mortgages, pledges, security interests, liens, encumbrances, and debt. No provision of the APA even suggests—let alone makes explicit—that Salvo agreed to assume any of Okori's obligations or liabilities. *Cf. Krogen Exp. Yachts, LLC v. Nobili*, 947 So.2d 581, 583 (Fla. Dist. Ct. App. 2007) (no successor liability where APA disclaimed it). And absent a specific assumption of Okori's obligations or liabilities by Salvo, Okori retains and continues to be responsible for all its obligations and liabilities.

Moreover, the APA's indemnification provision also displays that Salvo neither expressly nor impliedly assumed any of Okori's liabilities or obligations.[5] Okori agreed to indemnify Salvo "from and against any loss, cost, expense, or claim of whatsoever nature asserted against [Salvo] by any individual, entity or third party at any time before or after the date of the closing with respect to any liabilities or obligations of [Okori] which arose *prior to*" closing. APA ¶ 9 (emphasis added). Here, the alleged sale of firearm parts to Burkard by Okori in February 2021 occurred

[5] Indemnification and assumption of liabilities are distinct legal concepts. *See United States v. Sunoco, Inc.*, 637 F. Supp. 2d 282, 288 (E.D. Pa. 2009) (collecting authorities); *compare* 15 W. FLETCHER, CYCLOPEDIA OF THE LAW OF PRIVATE CORPORATIONS § 7114 (2023) (discussing assumption of liability clauses), *with id.* § 7123.60 (discussing indemnification clauses).

before closing. Compl. ¶ 91. And the alleged corporate liability arose at the time of that sale. Because that purchase indisputably occurred prior to closing, Okori must indemnify Salvo for it. APA ¶ 9.

It is black-letter contract law that all terms "must be read so as to give force and effect to all terms of the contract and be harmonized to the extent possible." *Emerald Grande, Inc. v. Junkin*, No. 3:07-cv-364, 2008 WL 2776229, at *3 (N.D. Fla. July 15, 2008), *aff'd* 334 F. App'x 973 (11th Cir. 2009). The absence in the APA of any express assumption by Salvo of Okori's obligations and liabilities, plus Okori's obligation to indemnify Salvo for Okori's obligations and liabilities, is the best evidence of the intended allocation of responsibility. If the contractual parties intended for Salvo to assume any obligations or liabilities of Okori, the APA would have expressly provided for that assumption or the transaction would have been structured differently.

Nor did Salvo impliedly agree to assume Okori's liabilities at the time of the alleged sale. First, the APA's "entire agreement" clause specifies that the APA sets forth the entire agreement of the parties concerning Okori's assets. *See id.* ¶ 11. Second, implied assumption of liability is typically based on the parties' *conduct* in the absence of *written* contract terms assuming liabilities. *See, e.g.*, *Winn-Dixie Stores, Inc. v. LJD & A Corp.*, No. 3:13-cv-1172, 2014 WL 4373369, at *4 (M.D. Fla. Sept. 3, 2014) (looking to parties' conduct in assessing implied assumption of liabilities); 15 W. FLETCHER, CYCLOPEDIA OF THE LAW OF PRIVATE CORPORATIONS § 7124 ("In order for a promise [to assume liability] to be implied, the conduct or representations relied upon must evidence an intention on the part of the purchasing company to assume the old corporation's liabilities in whole or in part."). The Amended Complaint alleges no dealings between the parties that suggest that Salvo implicitly assumed any of Okori's liabilities or obligations. Thus, there is no basis for finding an implied assumption of liability. *See Nat. Chem. L.P. v. Evans*, No. 6:13-cv-

1607, 2015 WL 12843835, at *1 (M.D. Fla. June 2, 2015) (no implied assumption of liability where "no affirmative acts" regarding liabilities existed).

Second, Salvo and Okori did not execute a *de facto* merger. To find a de facto merger,

> there must be a continuity of the selling corporation evidenced by the same management, personnel, assets and physical location; a continuity of the stockholders, accomplished by paying for the acquired corporation with shares of stock; a dissolution of the selling corporation; and assumption of the liabilities.

Serchay v. NTS Fort Lauderdale Off. Joint Venture, 707 So.2d 958, 960 (Fla. Dist. Ct. App. 1998). As a threshold matter, the APA disclaims any merger between Salvo and Okori. It states that "this is an asset sale only and [Salvo] is not purchasing the organization in its entirety." APA at 1; Bass Decl. ¶ 3. The facts bear out this statement. For example, "the management, personnel, assets and physical location" of Salvo and Okori are not the same. *Serchay*, 707 So.2d at 960. To be sure, Salvo hired Okori's prior owners as employees in a particular division. APA ¶¶ 5–6. But there is no "continuity of . . . management" because Okori's prior owners and operators are not managing Salvo as whole. *Serchay*, 707 So.2d at 960 (selling and buying companies had identical management). More, the APA notes that Okori need not dissolve, APA ¶ 1(d), and in fact it has not. *See* N.C. SEC'Y OF STATE, https://bit.ly/3Gvx6CD, attached as Ex. 2 (business search result for Okori lists "active"). Where, as here, "there is no record evidence to establish that [Okori] was dissolved," the dissolution factor is not satisfied and there can be no *de facto* merger. *Amjad Munim, M.D., P.A. v. Azar*, 648 So.2d 145, 154 (Fla. Dist. Ct. App. 1994). Because Plaintiffs allege no facts suggesting that Salvo and Okori executed a *de facto* merger, this theory cannot be the basis for personal jurisdiction via successor liability.

Third, Salvo is not merely a continuation of Okori. A continuation exists if the successor corporation is a "reincarnation of the predecessor corporation under a different name." *Id.* It is not enough to allege that the buyer continues the seller's business operation. *See Coral Windows*

Bahamas, LTD v. Panda Pane, LLC, No. 11-cv-22128, 2013 WL 321584, at *5 (S.D. Fla. Jan. 28, 2013). It is important that there be a "change [] in form, but not in substance." *Amjad Munim*, 648 So.2d at 154. The "key element" of a continuation is whether the officers, directors, and stockholders in the selling and purchasing companies are the same before and after the sale. *Id.* (same doctor was sole stockholder and president of both companies). *Accord Centimark Corp. v. A to Z Coatings & Sons, Inc.*, 288 F. App'x 610, 614 (11th Cir. 2008) (applying Florida law). And "[e]vidence that the majority owners of the buying corporation were never involved in any way in the selling corporation precludes a finding that the buying corporation is a mere continuation[.]" *Coral Windows*, 2013 WL 321584, at *5. Salvo and Okori did not have the same ownership prior to the sale, and Plaintiffs have not alleged otherwise. So, Salvo is not merely Okori "dressed up with a new name and controlled by the same individual." *Amjad Munim*, 648 So.2d at 154. Instead, because Salvo and Okori executed a bona fide, arms' length transaction, the mere continuation exception does not apply. Moreover, as just discussed, two corporations remain, not one, because Okori has not dissolved. Finally, Salvo did not continue operations in Okori's old offices, nor does it use the telephone number and address that Okori had prior to the asset purchase, nor have Plaintiffs introduced facts to the contrary. *Cf. Lab. Corp.*, 813 So.2d at 270 ("[M]erely repainting the sign on the door and using new letterhead certainly gives the appearance" of a mere continuance.). There is no basis for finding that Salvo is a mere continuation of Okori, so this exception does not support the exercise of personal jurisdiction.

Fourth, Plaintiffs allege no facts suggesting that Salvo's purchase of Okori's assets was fraudulent in fact. A fraudulent transfer may exist where a buyer assumes a seller's assets "without consideration or for grossly inadequate consideration . . . to the prejudice of creditors for the benefit of" the seller. *Lab. Corp.*, 813 So.2d at 271; *see also* FLA. STAT. § 726.105(1)(b). "In essence,

[Plaintiffs] must prove that [Salvo] did not receive reasonably equivalent value in exchange for the transferred property." *Mitutoyo Am. Corp. v. Suncoast Precision, Inc.*, No. 8:08-mc-36-T, 2011 WL 2802938, at *7 (M.D. Fla. July 18, 2011). Plaintiffs allege nothing of the sort. In fact, Salvo tendered adequate consideration. APA ¶ 4(a) ($2,000,000 for the purchased assets). More, "the transfer was at arm's length and intended to benefit both parties," *Mitutoyo*, 2011 WL 2802938, at *8, because Salvo and Okori had no relationship prior to executing the APA and each received something in the transaction, *see generally* APA. In short, Salvo and Okori were informed, consenting parties who executed the APA and Plaintiffs have not alleged otherwise.

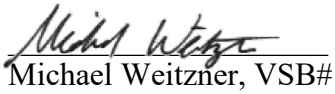
In sum, Salvo does not have successor liability for sales from the 80P Builder website by that website's prior owners, and sales from the website by the prior owners into the Commonwealth therefore do not provide a basis for exercising personal jurisdiction over Salvo.

CONCLUSION

For all these reasons, this Court lacks personal jurisdiction over Salvo and must dismiss all claims against it.

December 15, 2023

Respectfully submitted,



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v.	:	
SALVO TECHNOLOGIES, INC. d/b/a 80 P BUILDER, et al.	:	
Defendants.	:	

DECLARATION OF PATRICK BASS BY SPECIAL APPEARANCE

I, Patrick Bass, by special appearance pursuant to VA. CODE § 8.01-4.3, hereby declare as follows:

1. I am a citizen of the United States and a resident and citizen of Florida. I am the Executive Vice President of Defendant Salvo Technologies, Inc. ("Salvo").

2. Salvo is a Florida corporation. It is chartered in Florida and headquartered in Florida.

3. On March 1, 2021, Salvo entered into an Asset Purchase Agreement with Okori LLC, a North Carolina limited liability corporation, for the conveyance of certain assets. A true and correct copy of that Asset Purchase Agreement is attached to this declaration as Exhibit 1.

4. The assets purchased by Salvo through the Asset Purchase Agreement included Okori's rights and intellectual property in the website 80P Builder.

5. The entity BUL USA is not a party to the Asset Purchase Agreement between Salvo and Okori, nor is it mentioned anywhere in the Agreement or included in any of the rights or liabilities conveyed in the Agreement.

6. Salvo has no other contracts that are with BUL USA.

I declare under penalty of perjury that the foregoing is true and correct.

Patrick Bass, by Special Appearance
Executed in Seminole, Florida

Date: 07-27-2023

EXHIBIT 1

ASSET PURCHASE AGREEMENT

This Agreement is entered into this 1st day of March, 2021, by and between Okori LLC, a North Carolina LLC (hereinafter "Seller") and Salvo Technologies, Inc., a Florida Corporation (hereinafter "Buyer"). Seller and Buyer shall collectively be referred to herein as the "Parties."

WITNESSETH:

WHEREAS, Seller currently owns, manages and operates a company that sells custom metal components and other related products; Buyer is desirous of purchasing certain assets from Seller upon the terms and conditions as set forth herein; Seller is also desirous of selling certain assets to Buyer upon the terms and conditions as set forth herein; both Parties acknowledge and understand that this is an asset sale only and Seller is not purchasing the organization in its entirety;

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

1. Sale of Assets: On the Date of Closing (as defined below), Seller agrees to sell, assign, and transfer to Buyer, and Buyer agrees to purchase from Seller all of Seller's rights, title, and interest in and to the Purchased Assets. As used in this Agreement, the term "Purchased Assets" shall mean the following:

(a) All equipment, inventory, and intellectual property as itemized on **Exhibit "A"** attached hereto and incorporated herein by reference as if fully set forth.

(b) All rights under any and all customer contracts (including but not limited to all open and uncompleted customer orders and customer contracts), customer contact information, customers lists, customer files, tooling related to the manufacture of metals, and all

available agreements (both written and oral) executed by Seller within 12 months prior to the Date of Closing.

(c) All intellectual property (proprietary information, trade secrets, know-how, manuals, instructions, designs, technical drawings, schematics, nomenclature, and records), the name and exclusive rights of "80P Builder", domain names (www.80PBuilder.com), website, email name (@80PBuilder.com), any IP related to Okori LLC/80P Builder products, and any available purchase and sales agreements.

(d) Seller's business, "Okori LLC – DBA 80P Builder", is currently registered and active with the North Carolina Secretary of State. However, the name "80PBuilder" is not trademarked in any state or with the United States Patent and Trademark Office. Shortly after the Date of Closing, Seller shall assign the name "80P Builder" to Buyer. Seller does not have to dissolve Okori LLC as part of this agreement but Okori LLC, Britton Cyrus, and Jesse Sousana will not be able to directly compete with Salvo Technologies Inc, while active shareholders and employees, without written approval from Salvo Technologies Inc. Buyer acknowledges that Seller will support the business through secondary market opportunities.

(e) Marketing materials, transferable computer software, financial records/accounting history, sales history as far back as is available, existing supplier agreements, Tradeshow agreements and materials.

2. Assets Not Included in the Sale: The term "Purchased Assets" shall not include any cash or funds that Seller has in its possession on the Date of Closing, including but not limited to, any accounts receivable that are owed or due to Seller as of the Date of Closing. It will also not include any equipment not listed on Exhibit A but in the seller's possession.

3. Assets Free and Clear: All Purchased Assets and inventory shall be sold and transferred to Buyer free and clear of all mortgages, pledges, security interests, liens, and encumbrances, and debt.

4. Purchase Price: Buyer agrees to pay to Seller for the purchase of the Purchased Assets the following:

(a) Buyer pays in a blend of cash and stock, consisting of $2,000,000 in cash wages to Britton Cyrus and Jesse Sousana, 100,000 shares of Salvo Technologies, Inc. common stock (valued at $1,750,000 or $17.50 per share) equally divided and issued in the names of Britton Cyrus and Jesse Sousana, 50,000 shares each.

(i) Seller assigns all inventory (worth ~$1,640,000) to Buyer.

(ii) Machinery and Tooling will be valued at $450,000

(iii) The Cash portion, $2,000,000, of the purchase will be disbursed quarterly and equally divided between Britton Cyrus and Jesse Sousana. The payments will be made over 12 consecutive quarters (3 years) beginning with the execution date of this contract. Payments will be $83,333 to each individual each quarter for the term of 3 years.

(iv) The stock portion of the purchase equaling $1,750,000 will be considered Goodwill.

(b) Buyer agrees to a two-year performance earnout referred to herein as the "Earnout", which will be paid out as follows:

(i) Britton Cyrus and Jesse Sousana can receive the following as earn outs on the purchase price and will be paid in $250,000 installments at the end of

each of the first 2 full years with $125,000 going to Britton Cyrus and $125,000 going to Jesse Sousana.

(ii) Based on 80P revenues, Britton Cyrus and Jesse Sousana can earn a bonus of up to $500,000 (to be split between them) in the first full 12 months. The bonus structure will have the following structure;

- A bonus of $500,000 for total 80P Builder division Revenues above $14,500,000.

(iii) The cash bonus will be considered wages. Earn out bonuses will be paid in 2022 for first 12 months, and in 2023 after the 2nd 12 months, after accounting books are closed, not to exceed 60 days after each twelve-month period has ended.

5. Training/Hand-Off Period: Brit and Jesse agree to assist with the transition and hand-off of the Purchased Assets to Buyer on and after the Date of Closing. Britton and Jesse are being offered positions with Salvo Technologies as an owner in shares and as an employee with a starting annual salary of One Hundred Fifty thousand ($150,000.00). Britton Cyrus and Jesse Sousana agree to a standard work week with Salvo Technologies. A vacation package of 3 weeks to start is set aside. Britton and Jesse agree to work with Salvo Technologies staff to train and develop their competency in all related processes required to operate 80P Builder, as part of this package.

(i) Roles and Responsibilities

a. These roles are with the Salvo Corporate entity and will be focused on leadership in the sports division and the broader Sales and Marketing divisions within Salvo Technologies inc. Each new owner agrees to adhere to the Salvo Technologies Inc Subscription agreement, shareholders agreement and bylaws of the company as all other partners currently adhere.

6. Date of Closing: The Parties agree that the Date of Closing on this Transaction shall be on March 1, 2021, unless otherwise agreed to by both parties in writing. Said closing shall take place in person or virtually. Buyer and Seller agree to fulfill any requirements pertaining to the closing and its legally required transactional processes.

7. Representations and Warranties of Seller: Seller is a North Carolina-based business, duly organized and validly existing under the laws of the State of North Carolina, with full power and authority to enter into this Agreement. The consummation of the transaction hereby contemplated has been duly authorized and approved by all necessary corporate action on the part of Seller and this Agreement shall, upon due execution thereof by the Parties hereto, constitute a valid agreement and be binding upon Seller. Furthermore, the execution, delivery and performance of this Agreement by Seller does not conflict with any agreement, instrument, or contract binding upon Seller or its property.

8. Representations and Warranties of Buyer: Buyer is a Florida corporation, duly organized and validly existing under the laws of the State of Florida, with full power and authority to enter into this Agreement. The consummation of the transaction hereby contemplated has been duly authorized and approved by all necessary corporate action on the part of Buyer and this Agreement shall, upon due execution thereof by the Parties hereto, constitute a valid agreement and be binding upon Buyer. Furthermore, the execution, delivery, and performance of this Agreement by Buyer does not conflict with any agreement, instrument, or contract binding upon Buyer. Buyer has secured or will secure, prior to the Date of Closing, the necessary financing for Buyer to close on the transactions contemplated by this Agreement.

9. Indemnifications: Seller agrees to indemnify and hold Buyer harmless from and against any loss, cost, expense, or claim of whatsoever nature asserted against Buyer by any

individual, entity or third party at any time before or after the date of closing with respect to any liabilities or obligations of Seller which arose prior to the Date of Closing, except as otherwise stated herein. Furthermore, Buyer agrees to indemnify and hold Seller harmless from and against any loss, cost, expense or claim of whatsoever nature asserted against Seller by any individual, entity or third party at any time after the date of Closing with respect to any of the Purchased Assets, activities, liabilities or obligations of Buyer performed or assumed on the Date of Closing or thereafter, except as otherwise stated herein.

10. Governing Law: This Agreement shall be construed in accordance with and governed by the laws of the State of Florida.

11. Assignment, Binding Effect and Entire Agreement: This Agreement and the rights and obligations of the Parties hereto may not be assigned (except by operation of law or the sale of Salvo Technologies) without the prior written consent of the Parties hereto and shall be binding upon and inure to the benefit of the Parties hereto, the successors of the Buyer and Seller, their heirs and legal representatives and any permitted assigns of the parties. This Agreement sets forth the entire agreement of the Parties hereto concerning the subject matter of this Agreement. This Agreement may only be modified or amended by an agreement in writing executed by each of the Parties hereto and any term of this Agreement may be waived only with the written consent of the party sought to be bound.

12. Sever ability: In the event that any of the provisions contained in this Agreement shall, for any reason, be declared or held to be unreasonable, unlawful, unenforceable or otherwise invalid in any respect, such term or provision shall be deemed modified to the extent necessary to make it enforceable, and in no event shall such declaration or holding affect the

validity of any other provision of this Agreement, all of which provisions shall continue in effect in accordance with their terms.

13. Counterparts: This Agreement may be executed in any number of counterparts or using separate signature pages.

14. Survival: The representations, warranties and indemnification provisions of this Agreement shall survive the Date of Closing and continue in full force and effect thereafter.

15. Notices: All notices required or permitted hereunder shall be in writing and given by registered or certified mail, postage prepaid, addressed to the other party as follows:

IF TO THE SELLER: Britton Cyrus and Jesse Sousana

With a copy to Seller: Patrick Bass

IF TO BUYER:

Salvo Technologies, Inc.
Attn: Patrick Bass
10781 75th Street
Largo, Florida 33777

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed as of the day and year first above written.

Britton and Jesse,

SELLER By:

Britton Cyrus

Britton Cyrus, Owner

By:

Jesse Sousana

Jesse Sousana, Owner

SALVO TECHNOLOGIES, INC., BUYER

By:

Patrick J. Bass

EXHIBIT A

Asset Purchase Agreement Salvo Technologies Inc and Okori LLC (Assets and intellectual property rights).

Okori ASSET LIST

-Shipping stations (4)

-Desks (5)

-IT Equipment Computers, Printers, Routers, Security

-Photography studio equipment Cameras, Lights, Tripods, Backdrops

-Office furniture

-VaporTech 1000 coater

-Inventory shelving and locations systems

-Inventory (see list in exhibit B)

- Assembly systems – including stations and know how

- Websites, domains, emails, phone numbers

- Customer lists, customer history

- Supplier lists and agreements

- Tooling

EXHIBIT 2

• File an Annual Report/Amend an Annual Report • Upload a PDF Filing • Order a Document Online • Add Entity to My Email Notification List • View Filings • Print a Pre-Populated Annual Report form • Print an Amended a Annual Report form

Limited Liability Company

Legal Name
Okori, LLC

Information

SosId: 1564540
Status: Current-Active ⓘ
Date Formed: 1/5/2017
Citizenship: Domestic
Annual Report Due Date: April 15th
Current **Annual Report Status:**
Registered Agent: Sousana, Jesse ,

Addresses

Mailing	Principal Office	Reg Office	Reg Mailing
2915 Simpson Drive Charlotte, NC 28205	2915 Simpson Drive Charlotte, NC 28205	2915 Simpson Drive Charlotte, NC 28205	2915 Simpson Drive Charlotte, NC 28205

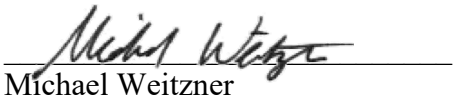
Company Officials

All LLCs are managed by their managers pursuant to N.C.G.S. 57D-3-20.

Chief Executive Officer
Jesse Sousana
2053 MacArthur Ct
Dunedin FL 34698-2708

CERTIFICATE OF SERVICE

I certify that on this 15th day of December 2023 a true copy of the foregoing Motion by Special Appearance to Dismiss for Lack of Personal Jurisdiction was served by electronic mail and File & ServeXpress.



Michael Weitzner