



March 22, 2017

**Via Electronic Mail: cstokley@palterlaw.com**

Craig Stokley, Receiver  
OE Capital Partners  
Palter Stokley Sims PLLC  
8115 Preston Road, Suite 600  
Dallas, Texas 75225

Re: Whrzt, Inc.

Mr. Stokley,

This letter is to memorialize the offer by my above-named client (“Whrzt”), to OE Capital Partners over which you have been appointed Receiver in *Securities and Exchange Commission v. Patrick O. Howard, Howard Capital Holdings, LLC and Optimal Economics Capital Partners, LLC*, Cause No. 3:17-CV-420-L, pending in the United States District Court for the Northern District of Texas, Dallas Division (collectively, the “Receivership”). The terms that Whrzt asks you to recommend to the Court are as follows.

1. Whrzt shall pay the Receivership \$60,000 by the close of business on Thursday, March 24, 2017.
2. Should the Court approve the terms contained in this offer, the parties shall negotiate a written agreement restructuring the current contractual obligations between the parties consistent with the material terms contained in this letter.
3. Within 24 hours of execution, but not before the close of business on Wednesday, March 29, 2017, Whrzt shall make arrangements to transfer 1,640,000 shares of Whrzt stock (which represents 16.4% of the total equity of Whrzt) to the Receivership Estate. The Receiver agrees to not sell or otherwise transfer any of this stock to any party but Whrzt without Whrzt’s written consent.
4. Within 30 days of settlement approval, Whrzt shall pay the Receivership \$100,000. Within 24 hours of receipt of this payment, the Receivership shall make arrangements to transfer 200,000 shares (which represents 2% of the total equity of Whrzt) of Whrzt stock back to Whrzt.
5. Within 120 days of settlement approval, Whrzt shall pay the Receivership \$240,000. Within 24 hours of receipt of this payment, the Receivership shall make arrangements to transfer 480,000 shares (which represents 4.8% of the total equity of Whrzt) of Whrzt stock back to Whrzt.
6. Once Whrzt has complied with paragraphs 1 and 3 of this offer letter, the Receiver shall grant Whrzt an option to pay \$500,000 in exchange for a release of liability arising from any contracts

that may have existed upon appointment of the Receiver as well as a transfer by the Receiver of 240,000 shares (which represents 2.4% of the total equity of Whrzt) of Whrzt stock back to Whrzt, provided, however, that (a) Whrzt shall have complied with all payment obligations contained herein, and to the extent that Whrzt seeks to exercise this option before the payments set forth in paragraphs 4 and 5, then those payments shall also be made at that time in order to exercise the option; and (b) any royalty payments due under the current agreement between the Receivership Defendants and Whrzt shall be made timely. In the event that Whrzt does not timely make payments set forth in paragraphs 4 and 5 above, the option granted herein shall be automatically revoked without further action required on the part of the Receiver.

7. One year after execution of the agreement memorializing the terms contained in this offer letter, Whrzt and the Receivership shall, in good faith, obtain an independent valuation of Whrzt equity, at Purchaser's expense. If the value of the Receivership's 7.2% of Whrzt equity is \$1 million or greater, based on the valuation, the Receivership shall sell all of its then-remaining Whrzt stock to Whrzt for the per share price in accordance with such valuation. If the value of the 7.2% Receivership equity is less than \$1 million, the Receivership shall, within 30 days, consent or refuse to sell its then-remaining shares to Whrzt for the per share price in accordance with such valuation.
8. Whrzt may purchase the entirety of the Receivership's equity position in Whrzt for \$1.1 million, if such purchase is made within 6 months of the execution, provided however that Purchase shall have made the payments described in paragraphs 1, 4, 5, and the \$500,000 option payment timely. Should Whrzt exercise this option before those payments are due, those payments shall be made contemporaneously with exercising the option. In no event shall Whrzt be entitled to the Receivership's equity if the Receivership has not received \$900,000 at the time this \$1,100,000 option is exercised.
9. Any royalty payments that Whrzt makes to the Receivership shall be deducted from the total amount due of either buyout option in 7 or 8, above.

Very truly yours,

*/s/ Darryl Cleveland*

Darryl Cleveland  
clevelandlaw@gmail.com