



Defined by **Partnership.**  
Driven by **Innovation.**

May 5, 2026

Ryan Spitzer, ICMA-CM  
Town Manager  
Pineville Communication Systems  
505 Main Street, Suite 201  
Pineville, NC 28134  
[rspitzer@pinevillenc.gov](mailto:rspitzer@pinevillenc.gov)

Re: Strategic Advisory and Intermediation Services

Dear Ryan:

This letter, when properly signed, will constitute an agreement (Agreement) between John Staurulakis, LLC (**JSI LLC or JSI**) and Pineville Communication Systems (**the Company or Pineville**) on behalf of itself and its subsidiaries (collectively, **Companies**).

## 1. Purpose

JSI has been requested by management of the Companies (**Management**) to provide certain strategic advisory services to the Companies. Such services shall include, but may not be limited to, transaction advisory and intermediation services. We understand that JSI's services may result in the consummation of a transaction, through sale, merger, restructuring, joint venture or otherwise, whether effected in a single transaction or a series of related transactions whereby at least a majority of the outstanding equity of the Companies or all or substantially all the Companies' assets or operations are combined, sold, or transferred to a third party (**Transaction**).

## 2. Preparation of JSI Analyses; Evaluation Materials; and Non-Disclosure

In connection with its engagement, JSI will prepare and assemble certain data and information about the Companies and the financial and strategic alternatives (**Alternatives**) regarding ownership of the Companies available to the Owners. Our analysis will be provided to and discussed with Management to assist them in their analysis and assessment of the Alternatives. Additionally, other documentation, reports, analyses, and calculations (**Evaluation Materials**) shall, at the Management's request, be prepared or assembled by JSI and provided to certain parties (Interested Parties) as necessary. JSI shall also assist in coordinating the due diligence process with respect to any Transaction(s).

All analyses prepared by JSI (**JSI Analyses**) and Evaluation Materials delivered will be provided under the express condition that:



- a) Said materials are to be kept confidential and are intended solely for the information of the Board, Management and Owners of the Companies, the Interested Parties, and their respective advisors as the case may be;
- b) are to be used solely for the purpose of assessing the Alternatives and should not be relied upon or used for any other purpose, and
- c) are to be promptly returned by the Interested Parties and their advisors at the request of you, JSI or the Board.

In addition to the other services described herein, JSI will:

- i. Review and familiarize itself with the business and financial condition of the Companies and other matters it deems relevant;
- ii. Conduct a Business Enterprise Valuation (BEV) calculation update of the Company as of December 31, 2025.
- iii. Assist the Companies' Management in reviewing and determining the Companies' normalized EBITDA;
- iv. Assist the Companies' Management in developing a strategy to be used in negotiating the form and structure of the Transaction(s). It is understood that JSI will not be relied upon for tax or legal advice;
- v. Prepare, with the Companies' assistance, presentation, discussion, and due diligence materials and assist Company management in populating (with information compiled by Pineville), organizing and managing a virtual data room that will be hosted by JSI at JSI's expense;
- vi. Identify and contact all prospective buyers, which shall be subject to approval in advance by the Company (Prospective Buyer(s)). The approved Prospective Buyers shall be maintained on a list (Prospective Buyers List) and JSI will indicate on the list if it engages in discussions with the Prospective Buyers regarding a possible Transaction and the date the discussions first began;
- vii. Prepare teaser (on a "no names", "no identifying criteria" basis) to introduce the Transaction to Prospective Buyers. The teaser will provide a brief overview of the opportunity and any deal structure requirements. The form and content of the teaser will be subject to approval in advance by the Company;
- viii. Prepare a confidential information memorandum (CIM) about the Companies to be utilized in discussions with Prospective Buyers. The CIM will not be provided to Prospective Buyers until they have entered in the Company's form confidentiality and non-disclosure agreement. JSI will provide a standard form of confidentiality and non-disclosure agreement which will be revised with the assistance of Pineville's counsel and will assist the Company in the preparation and negotiation of the confidentiality agreements;
- ix. Assist Company Management in preparing for and arranging, and participate in, management presentations and facility visits for Prospective Buyers;



- x. Solicit indications of interest and will solicit and assist in negotiating letters of intent;
- xi. Provide an evaluation of all offers or proposals received;
- xii. Assist in the negotiations relating to a possible Transaction;
- xiii. Assist in the closing of the Transaction;
- xiv. Provide regular (and as requested) updates as to status and progress; and
- xv. Render such other financial advisory services as are customary for similar transactions and as may be mutually agreed upon by JSI and the Company.

JSI's proposed services do not include the provision of an opinion, counsel or interpretation in matters that require legal, accounting or tax advice. It is assumed that such opinions, counsel, or interpretations have been or will be obtained by the Companies from the appropriate professional sources.

Management will furnish such information, documentation, and other data (Company Information) as JSI shall reasonably request in connection with the preparation or assemblage of the JSI Analyses and the Evaluation Materials. Management understands and agrees that JSI, in performing its services hereunder, will use and rely upon Company Information as well as publicly available information regarding the Company, that all Company Information reasonably requested by JSI will be furnished to JSI within a mutually agreeable period of time, and that JSI does not assume responsibility for independent verification of any Company Information, whether publicly available or otherwise furnished to it, concerning the Company, including, without limitation, any financial information, forecasts or projections. However, JSI shall promptly notify Company if it discovers any errors or inaccuracies in the Company Information provided to it.

JSI shall maintain the Company Information in strict confidence pursuant to the non-disclosure agreement executed by Companies and JSI. The Companies authorize JSI to use the Company Information solely in connection with its engagement hereunder, and to discuss such information with, and deliver such information to, only those Prospective Buyers that have first signed the Company's form confidentiality agreement. This paragraph will survive the termination of this Agreement.

JSI shall be entitled to assume and rely upon the accuracy and completeness of all such Company Information and is not required to conduct a physical inspection of any of the properties or assets, or to prepare or obtain any independent evaluation or appraisal of any of the assets or liabilities of the Companies; provided, however, that JSI shall promptly notify Management if it discovers any errors or inaccuracies in the Company Information provided to it. With respect to any financial forecasts and projections made available to JSI by Management, , and used by JSI in connection with the assemblage or preparation of the JSI Analyses or the Evaluation Materials, JSI shall be entitled to assume that such forecasts



and projections have been reasonably prepared on a basis reflecting the best currently available estimates and judgments of Management as to the matters covered. The foregoing shall remain operative and in full force and effect regardless of any investigation made by or on behalf of JSI or any of its employees, agents, officers, directors, attorneys, shareholders or any persons who control JSI or any persons controlling any of them; unless JSI discovers errors or inaccuracies in the forecasts and projections provided to it or believes that such forecasts and projections are not consistent with its understanding of the operations or prospects of the Companies, in which case JSI shall promptly notify the Board of such discovery.

### 3. Expenses and Success Fee

The fees for this engagement will include the following:

- i. **Valuation Fee:** A fixed fee to provide an updated BEV calculation;
- ii. **Hourly Fees:** Ongoing hourly fees based on the number of hours expended by JSI in performance of its engagement; and.
- iii. **Success Fee:** A fee in the event JSI’s efforts result in the consummation of a Transaction consistent with the objectives of the Board.

Fee Type	Amount / Threshold	Payable
Valuation Fee	\$10,000	Upon Delivery of Draft Valuation
Expenses	\$10,000	Upon Delivery of Draft Valuation
Hourly Fees	\$135/hour to \$425/hour Estimated at \$55,000 to \$75,000	\$55,000 Due upon Completion of Valuation and Beginning of Strategic Advisory Services.  Amounts due between \$55,000 and \$75,000 will be paid (i) at closing or 12 months from the date of this Agreement, whichever is sooner, or (ii) within 5 days of the termination of this Agreement by either Party.  If the Transaction closes, amounts above \$65,000 will be netted against the Success Fee.



3% Success Fee		At Closing or as otherwise described in Section 4.
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### **Valuation Fee:**

The Company agrees to pay JSI a Valuation Fee of \$10,000 to perform an updated Business Enterprise Valuation of the Company. No portion of the Valuation Fee is contingent upon the conclusions we reach.

### **Hourly Fees:**

The Company agrees to pay JSI Hourly Fees that will be based on JSI's normal hourly billing rates, which currently range from \$135 to \$425 per hour. Hourly Fees will be primarily related to the ongoing management of the engagement, including but not limited to, preparation of marketing materials, identification & outreach to prospective buyers, ongoing communications with prospective buyers, assistance in negotiating transaction terms with prospective buyers, management of the due diligence process, and assistance in closing the transaction.

Given the nature of our engagement, it is not practical for us to provide a firm quote for Hourly Fees we will charge. However, based on our experience in performing similar engagements, we would estimate that total Hourly Fees incurred by us in connection with the engagement will be approximately between \$55,000 and \$75,000. Notwithstanding the foregoing JSI will not incur fees in excess of the high end of the range without prior written approval from the Company.

Company will pay an initial retainer of \$45,000 (**Hourly Retainer**) for JSI's hourly fees. JSI will track hourly fees on weekly basis and can be made available monthly. The remaining hourly fees over the Hourly Retainer will be held for billing until such time that we have a scheduled closing date, or within twelve months from the date of this Agreement. If the Transaction closes, any hourly fees above \$65,000 will be netted against the success fee. If JSI does not have a buyer in place within 12 months of the date of this Agreement, the estimated hourly fees will need to be renegotiated for any future work.

### **Expenses**

In addition to the aforementioned fees, JSI will bill \$10,000 for out-of-pocket costs (**Expenses**) that may be incurred by JSI in connection with the performance of our engagement; this may include, but is not limited to, research materials, database



subscriptions and professional firms' fees. The Expenses exclude any consideration for fees charged for travel, lodging and meal expenses (**Travel Fees**). Travel Fees are billed separately and directly to the client, without markup, if deemed necessary during the engagement. Expenses shall not include payment for services performed internally by JSI.

### **Success Fee**

The Company agrees to pay JSI a Success Fee in the event JSI's efforts result in the consummation of a Transaction consistent with the objectives of the Board. The Success Fee shall equal 3.00% of total Transaction Consideration, as defined below, and be payable upon the closing of the Transaction.

Transaction Consideration is defined as the value of the Company's assets and operations as implied by the sale price, including the full amount of any earn-out(s) or contingent payment(s). The sale price shall include any cash received, the fair market value of non-cash consideration received, and the amount of any debt paid at closing or assumed by the buyer but not any cash retained by the Owners from the business at Closing.

The Transaction Consideration shall not include any compensation paid by the buyer for transition services after closing or for market-rate consulting or employment compensation for services performed by Company management after closing; provided any above-market consulting or employment compensation will be considered Transaction Consideration.

For purposes of calculating Transaction Consideration, the value of any securities issuable in connection with a Transaction (whether debt or equity) that have an established public market (including any such securities subject to resale restrictions) will be determined on the same basis as provided in the definitive agreement entered into by the Companies or its unitholders in the Transaction, as such definitive agreement may be amended from time to time; and the value of securities which have no established public market or other property will be determined as provided in the Purchase or Merger Agreement.

Transaction Consideration does not include any deductions for holdbacks or escrowed balances that are set aside for potential future claims against the selling parties, nor does it include deductions, if any, to the sale price that may result from any such claims. JSI's Success Fee (less the credit for JSI's hourly fees over \$65,000) will be payable in cash at closing from the transaction proceeds.

### **4. Termination of Agreement**

JSI's engagement hereunder shall terminate upon 15 days written notice by either JSI or Pineville at any time, with or without cause.



Provided, however, that, unless Pineville terminates this Agreement because of a material breach of the terms of this Agreement:

- i. JSI will be entitled to its unpaid Hourly Fees, and Expenses as noted in Section 3, through the termination date, and
- ii. JSI will be entitled to its full Success Fee if:
  - a. at any time prior to the expiration of twelve months after this Agreement is terminated by either (a) Pineville or (b) JSI because of a material breach of the terms of this Agreement by Pineville which has not been cured within a reasonable time, a definitive Transaction agreement (the Transaction Agreement) is signed with a Prospective Buyer listed on the Prospective Buyer List with which JSI had discussed a possible Transaction during the term of this Agreement and the Transaction closes within twelve months after the date of the Transaction Agreement, or
  - b. Pineville enters into a definitive Transaction Agreement during the term of this Agreement or within the twelve-month period after this Agreement is terminated and the Transaction closes within twelve months after the date of the Transaction Agreement.

Notwithstanding the foregoing, if, following such expiration or termination, the Company offers in writing to renew JSI's engagement under the terms of this Agreement and JSI declines such reengagement then the Company shall not be required to pay the Success Fee.

Pineville, in its sole discretion, retains the right to decline to pursue any prospect, accept any offer, carry out any contract or close any proposed transaction. If Pineville decides to decline any offer, Pineville shall have no obligation to JSI for Success Fees.

Notwithstanding the foregoing, no expiration or termination of this Agreement shall affect: (a) the Company's indemnification, reimbursement, and contribution set forth in this Agreement; (b) the confidentiality provisions set forth herein; (c) JSI's indemnification set forth in this agreement; and (d) the agreements of the Company and JSI with respect to choice of law and forum.

## **5. Legal Fees: Choice of Law**

If any party to this Agreement brings an action directly or indirectly based upon this Agreement or the matters contemplated hereby, the prevailing party shall be entitled to recover, in addition to any other appropriate amounts, its reasonable costs and expenses in connection with such proceeding, including, but not limited to, reasonable attorneys' fees



and court costs. This Agreement shall be governed by the laws of the State of Delaware, without regard to conflict of laws principles.

## **6. Scope of Responsibility**

Neither JSI nor any of its affiliates (nor any of their respective control persons, directors, officers, employees or agents) shall be liable to Pineville or to any other person making a claim through Pineville for any loss, damage, liability, cost or expense suffered by Pineville, or any such other person arising out of or related to JSI's engagement hereunder except for a claim, loss or expense that arises out of or is related to any material breach of this Agreement by JSI or any action or failure to act by JSI that constitutes bad faith, intentional misconduct, gross negligence, or common law fraud on the part of JSI.

## **7. Strategic Advisory Services**

JSI may act as a financial advisor to the Company without registering with the SEC as a Broker-Dealer based on a federal statutory exemption. The Consolidated Appropriations Act of 2023, Title V, Pub. L. No. 117-328 (2022), created a statutory exemption for broker-dealer registration requirements under the Security Exchange Act of 1934 if a privately held company's EBITDA in their last fiscal year was less than \$25 million and/or gross revenues in their last fiscal year were less than \$250 million. The Company's estimated financial values for last year satisfy the exemption so JSI may provide financial services without registering with the SEC.

As a financial advisor, JSI cannot and will not on behalf of the Companies:

- i. Have the authority to bind the principals in the Mergers and Acquisitions (M&A) transaction.
- ii. Will not provide financing for the transaction.
- iii. Will never have possession of customer funds or securities.
- iv. Will not be involved in a public offering. Any offering or sale of securities will be conducted in compliance with an applicable exemption from registration under the Securities Act of 1933. In addition, no party to the M&A transaction may be a shell company other than a business combination related shell company.

JSI shall not directly or indirectly represent any Prospective Buyer in any Transaction. Additionally, JSI will only facilitate a transaction with a group of buyers if JSI has not assisted in the formation of the group of buyers. None of JSI, its officers, directors, or employees, has been barred or suspended from associating with a registered broker-dealer.

## **8. Indemnity and Contribution**



Pineville agrees to indemnify and hold harmless JSI and its affiliates (and their respective control persons, directors, officers, employees and agents) to the full extent lawful against any and all claims, losses, damages, liabilities, costs and expenses as incurred (including all reasonable fees and disbursements of counsel and all reasonable travel and other out-of-pocket expenses incurred in connection with the investigation of, preparation for and defense of any pending or threatened claim and any litigation or other proceeding arising there from, whether or not in connection with pending or threatened litigation in which JSI or any other indemnified person is a party) (collectively, Claims) arising out of or related to any actual or proposed Transaction or JSI's engagement hereunder; provided, however, there shall be excluded from such indemnification any such claims, losses, damages, liabilities, costs or expenses that arise primarily out of or are based primarily upon any action or failure to act by JSI that constitutes bad faith, intentional misconduct, gross negligence or common law fraud on the part of JSI or that arise from a material breach of this Agreement by JSI.

JSI agrees to indemnify, defend, and hold harmless the Companies (and their respective control persons, managers, officers, employees, agents, and each other person, if any, controlling a Company) to the full extent lawful against any and all Claims arising out of or related to any allegation of:

- i. bad faith, intentional misconduct, gross negligence, or common law fraud on the part of JSI or
- ii. material breach of this Agreement by JSI.

In no event will JSI's indemnification or other obligations under this Agreement exceed payment of any amount in excess of the fees that JSI has received under this Agreement. An indemnifying party will not, without the prior written consent of the indemnified party, settle any litigation hereunder unless such settlement includes an express, complete, and unconditional release of the indemnified party and its affiliates (and their respective control persons, managers, officers, employees, and agents) with respect to all claims asserted in such litigation, such release to be set forth in an instrument signed by all parties to such settlement.

## **9. Disclosure**

Pineville acknowledges that JSI and its affiliates may have and may continue to have financial advisory and other relationships with parties other than Pineville pursuant to which JSI may acquire information of interest to Pineville unless such representation could potentially or does create a conflict of interest for JSI with respect to its representation of Pineville. JSI shall have no obligation to disclose such information to Pineville.

## **10. Other Issues**



This Agreement shall not be assigned by JSI without the prior written consent of Pineville. The invalidity or unenforceability of any provision of this Agreement shall not affect the validity or enforceability of any other provision of this Agreement, which shall remain in full force and effect pursuant to the terms hereof. This Agreement by and between Pineville and JSI, incorporates the entire understanding of the parties and supersedes all previous agreements or understandings, whether written or oral, and may be modified only by an express writing executed by all parties hereto. This Agreement has been duly and validly executed by the parties hereto and shall be binding upon and inure to the benefit of the parties and their respective successors and assigns. No waiver of any provision of this Agreement shall be valid and binding unless it is in writing. No waiver of any provision of this Agreement shall be deemed a waiver of any other provision, whether or not similar, nor shall any waiver constitute a continuing waiver.

This Agreement has been reviewed by the signatories hereto and their counsel. There shall be no construction of any provision against JSI because this Agreement was drafted by JSI, and the parties waive any statute or rule of law to such effect. JSI and its employees have, or will obtain, all the necessary licenses and qualifications required by federal and state securities laws to carry out the engagement contemplated by this Agreement.

JSI shall not contact or communicate with any employee of Pineville or its affiliates or any advisor of Pineville without the prior written consent of Pineville's President.

JSI hereby notifies the Company that pursuant to the requirements of the USA Patriot Act, Title III of Pub. L. 107-56 (signed into law on October 26, 2001) (the Patriot Act), JSI is required to obtain, verify, and record information that identifies the unitholders of the Company. Such information includes the unitholders' names and addresses and other information that will allow JSI to identify the Company, its subsidiaries and affiliates and its unitholders in accordance with the Patriot Act. This notice is given in accordance with the requirements of the Patriot Act and is effective for JSI and its affiliates.

## **11. Additional Services**

If JSI is called upon to render services directly or indirectly relating to the subject matter of this Agreement beyond the services contemplated above (including, but not limited to, producing of documents, answering interrogatories, giving depositions, giving expert or other testimony, whether by agreement, subpoena or otherwise), Pineville shall pay JSI's then current reasonable hourly rates for the persons involved by the time expended in rendering such services, including, but not limited to, time for meetings, conferences, preparation and travel, and all related and reasonable costs and expenses, and the reasonable legal fees and expenses of JSI's counsel.



**12. Credit**

JSI may, at its own expense, place announcements in financial and other newspapers and periodicals describing its services in connection with the Transaction. The content of any such announcement shall be subject to Pineville’s prior written approval, which approval shall not be unreasonably withheld or delayed. It is agreed that the amount or type of payments received or to be received by Pineville shall not be disclosed without their written prior approval.

**13. Approval Defined**

As used in this Agreement, “approval” (or its variants) means an unequivocal written approval executed or delivered (e.g., by e-mail) by the party giving the approval.

We trust that the foregoing terms and provisions are agreeable to you, and request that you sign and return the enclosed copy of this Agreement to JSLLC.

Sincerely,

JOHN STAURULAKIS, LLC (JSI)

By:

*Brian M Sullivan*

Brian M. Sullivan, CPA  
Vice President

The foregoing has been read, understood, and approved, and the undersigned agrees to retain John Staurulakis, LLC under the terms and provisions contained herein.

**Pineville, Inc.** \_\_\_\_\_

**Name:** \_\_\_\_\_

**Title:** \_\_\_\_\_

**Date:** \_\_\_\_\_