

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 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): **August 11, 2026**

WORKHORSE GROUP INC.
(Exact name of registrant as specified in its charter)

Nevada

(State or Other Jurisdiction of Incorporation)

001-37673

(Commission File Number)

26-1394771

(IRS Employer Identification Number)

48443 Alpha Drive #190, Wixom, Michigan 48393
(Address of principal executive offices and zip code)

Registrant's telephone number, including area code: **(888) 646-5205**

(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:

- ☐ 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
Common Stock, \$0.001 par value	WKHS	The Nasdaq Capital Market

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.*Amendment No. 3 to Credit Agreement (Cash Flow)*

As previously disclosed, on December 15, 2025, Workhorse Group Inc. (“Workhorse” or the “Company”) entered into (i) that certain Credit Agreement (Customer Orders) (the “Customer Order Credit Agreement”) and (ii) that certain Credit Agreement (Cash Flow) (the “Cash Flow Credit Agreement” and together with the Customer Order Credit Agreement, the “Credit Agreements”), each dated as of December 15, 2025, by and among Workhorse, as borrower, certain subsidiaries of Workhorse, as guarantors, and Motive GM Holdings II LLC (“MGMH”), as lender, each as amended by that certain Omnibus Amendment No. 1, dated as of April 25, 2026, by and among Workhorse, as borrower, certain subsidiaries of Workhorse, as guarantors, and MGMH, as lender (“Amendment No. 1”) and that certain Omnibus Amendment No. 2, dated as of June 16, 2026 by and among Workhorse, as borrower, certain subsidiaries of Workhorse, as guarantors, and MGMH, as lender (“Amendment No. 2”).

On August 11, 2026, the Company entered into an Amendment No. 3 to Credit Agreement (Cash Flow) (“Amendment No. 3”), which amends the Cash Flow Credit Agreement (i) to increase the Commitment (as defined in Amendment No. 3) thereunder from \$30,000,000 to \$40,000,000 in accordance with Section 10.01 of the Cash Flow Credit Agreement and (ii) to defer interest payments on (x) the additional \$10,000,000 loan made pursuant to Amendment No. 2 and (y) the additional \$10,000,000 loan made pursuant to Amendment No. 3 until the first Interest Payment Date (as defined in the Cash Flow Credit Agreement) occurring after January 31, 2027.

Amendment No. 3 further included an obligation by the Company to issue to MGMH warrants (the “Warrants”) to purchase an aggregate of 1,500,000 shares of the Company’s Common Stock, par value \$0.001 per share, with an exercise price equal to \$10.00 per share, consisting of 750,000 warrant shares issued in connection with the additional borrowing of \$10,000,000 permitted by Amendment No. 3 and 750,000 warrant shares issued in connection with the additional borrowing of \$10,000,000 permitted by Amendment No. 2 (and in satisfaction of the Company’s previously disclosed obligation to issue warrants in connection with such amendment). Upon issuance, which will occur promptly following satisfaction of all notification obligations with the Nasdaq Capital Market, the Warrants are exercisable immediately and for a period of five years.

The foregoing summary and description of Amendment No. 3 and the Warrants are not and do not purport to be complete and are subject to, and qualified in their entirety by, (i) the full text of Amendment No. 3 a copy of which is filed as Exhibit 10.1 and is incorporated by reference, and (ii) the Warrants, a copies of the form of which is filed as Exhibit 10.2 and is incorporated herein by reference.

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

To the extent required by this Item 2.03, the information related to Amendment No. 3 and the Warrants set forth in Item 1.01 of this Current Report on Form 8-K is incorporated herein by reference.

Item 3.02. Unregistered Sales of Equity Securities

To the extent required by this Item 3.02, the information related to the Warrants set forth in Item 1.01 of this Current Report on Form 8-K is incorporated herein by reference. The Warrants will be issued in reliance upon exemptions from registration pursuant to Section 4(a)(2) under the Securities Act and Rule 506 promulgated thereunder. The Warrants contain representations to support the Company’s reasonable belief that MGMH is acquiring the Warrants for its own account and not with a view to the distribution thereof. The Warrants described in Item 1.01 above are deemed to be restricted securities for purposes of the Securities Act and the Warrants and any certificates representing shares issued pursuant to the Warrant shall bear legends to that effect. Accordingly, the Warrants may not be offered or sold in the United States absent registration or an applicable exemption from registration requirements.

Item 8.01. Other Events*Rent Deferral Arrangement*

As previously disclosed, on April 25, 2026, the Company and Mango Workhorse, LLC (“Lessor”) entered into an agreement whereby Lessor agreed to a deferral of the Company’s monthly rental payments pursuant to the lease for the Company’s manufacturing facility in Union City, Indiana for the five months beginning May 2026 and ending September 2026, with the entire deferred amount due and payable in a single lump-sum payment on or before September 30, 2026 (the “Prior Deferred Payments”).

On August 12, 2026, the Company and Lessor entered into an agreement whereby Lessor agreed to a deferral of (i) the Prior Deferred Payments and (ii) the Company’s monthly rental payments pursuant to the lease for the Company’s manufacturing facility in Union City, Indiana for the four months beginning October 2026 and ending January 2027, with the entire deferred amounts due and payable in a single lump-sum payment on or before January 31, 2027.

Item 9.01. Financial Statements and Exhibits.

(a) Exhibits.

Exhibit Number	Description
10.1*	Amendment No. 3, dated as of August 11, 2026, by and among Workhorse Group Inc., as borrower, the subsidiary guarantors party thereto and Motive GM Holdings II LLC, as lender.
10.2*	Form of Common Stock Purchase Warrant by and among Workhorse Group Inc., certain subsidiaries of Workhorse Group Inc., and Motive GM Holdings II LLC.
104	Cover Page Interactive Data File (embedded within the Inline XBRL document)

*Certain schedules and exhibits to this Exhibit have been omitted in accordance with Item 601 of Regulation S-K.

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.

WORKHORSE GROUP INC.

Date: August 12, 2026

By: /s/ Jody Davis

Name: Jody Davis

Title: Chief Financial Officer

AMENDMENT NO. 3 TO CREDIT AGREEMENT (CASH FLOW)

This **AMENDMENT NO. 3 TO CREDIT AGREEMENT (CASH FLOW)** (this “Amendment”), dated as of August 11, 2026, is by and among (1) WORKHORSE GROUP INC., a Nevada corporation (“Borrower”), (2) the Guarantors (as defined below) party hereto and (3) MOTIVE GM HOLDINGS II LLC (“Lender”). Capitalized terms used herein and not otherwise defined herein shall have the meanings ascribed thereto in the Credit Agreement (as defined below).

WITNESSETH

A. The Borrower, each Subsidiary of the Borrower from time to time party thereto (the “Guarantors”), and the Lender are parties to that certain Credit Agreement (Cash Flow) dated as of December 15, 2025 (as amended prior to the date hereof, the “Existing Credit Agreement”), and as amended by this Amendment and as may be further amended, modified, extended, restated, replaced, or supplemented from time to time, the “Credit Agreement”).

B. The Borrower has requested that Lender amend the Existing Credit Agreement to increase the Commitment thereunder from \$30,000,000 to \$40,000,000 in accordance with Section 10.01 of the Credit Agreement.

C. Lender is willing to agree to such requests, in accordance with and subject to the terms and conditions set forth herein, and the other parties hereto have agreed to join in the execution of this Amendment in their respective capacities, on the terms and subject to the conditions set forth herein.

NOW, THEREFORE, in consideration of the agreements hereinafter set forth, and for other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the parties hereto agree as follows:

ARTICLE I AMENDMENTS TO CREDIT AGREEMENT

1.1 Amendments to Credit Agreement. Subject to the satisfaction (or waiver) of the conditions set forth in Section 2.1 below:

(a) The definition of “Commitment” under the Existing Credit Agreement is hereby amended and restated in its entirety as follows:

“Commitment” means the obligation of Lender to make Loans to Borrower pursuant to Section 2.01, in an aggregate principal amount at any one time outstanding not to exceed \$40,000,000 or such greater amount as Lender may agree in writing (including via e-mail) in its sole discretion; provided, however, notwithstanding the foregoing or any other provision contained in this Agreement to the contrary, any reference contained in this Agreement to an “obligation” of Lender to make Loans hereunder shall be construed solely following the PIPE Closing Date to mean the discretionary authority of Lender to make Loans, if any, and not to a binding commitment on the part of Lender to Borrower to make Loans.

(b) Section 2.06(c) of the Existing Credit Agreement is hereby amended and restated in its entirety as follows:

Interest Payments. Interest on each Loan shall be due and payable in arrears on each Interest Payment Date applicable thereto and at such other times as may be specified herein; provided that Interest on the Loans in the aggregate principal amount of up to \$20,000,000 made on or after the Amendment No. 2 Date shall be due and payable in arrears commencing with the first Interest Payment Date occurring after January 31, 2027. Interest hereunder shall be due and payable in accordance with the terms hereof before and after judgment, and before and after the commencement of any proceeding under any Debtor Relief Law.

ARTICLE II CONDITIONS TO EFFECTIVENESS

2.1 Closing Conditions. This Amendment shall become effective upon satisfaction (or waiver) of the following conditions (such date, which shall be the date first written above, the "Amendment Effective Date"):

(a) *This Amendment.* The execution and delivery of this Amendment duly executed by Borrower, the Guarantors and Lender.

(b) *No Default.* No Event of Default shall have occurred and be continuing or would be caused by the consummation of the transactions contemplated by this Amendment.

(c) *Representations and Warranties.* The representations and warranties contained in Section 3.2 below shall be true and correct as of the date hereof.

(d) *Responsible Officers Certificate.* Lender shall have received incumbency certificates and/or other certificates of Responsible Officers of each Loan Party evidencing the identity, authority and capacity of each Responsible Officer thereof authorized to act as a Responsible Officer in connection with this Amendment and the other Loan Documents to which such Loan party is a party or is to be a party.

2.2 Post-Closing Actions. As consideration for the amendments set forth herein and pursuant to Section 2.2 of Amendment No.2, the Borrower hereby agrees to issue to Lender

(a) warrants to purchase 750,000 shares of common stock in the Borrower in connection with Loans made pursuant to Amendment No. 2, and

(b) warrants to purchase 750,000 shares of common stock in the Borrower in connection with the Loans made hereunder,

in each case, such warrants shall be substantially in the form attached as Exhibit A hereto and shall be issued following the Amendment Effective Date but no later than one (1) Business Day after the Borrower receives acknowledgement from Nasdaq that it has complied with its required notification obligations.

ARTICLE III MISCELLANEOUS

3.1 **Amended Terms.**

(a) Upon the effectiveness of this Amendment, each reference in the Credit Agreement to “this Agreement,” “hereunder,” “hereof,” “herein” or words of like import referring to the Credit Agreement, and each reference in the other Loan Documents to “the Credit Agreement,” “thereunder,” “thereof,” “therein” or words of like import referring to the Credit Agreement, shall mean and be a reference to the Credit Agreement, as amended hereby.

(b) Except as specifically amended herein, the Credit Agreement and all other Loan Documents are and shall continue to be in full force and effect and are hereby in all respects ratified and confirmed.

(c) The execution, delivery and effectiveness of this Amendment shall not operate as a waiver of any right, power or remedy of Lender under the Credit Agreement or any other Loan Documents, nor constitute a waiver of any provision of the Credit Agreement or any other Loan Documents.

3.2 **Representations and Warranties of the Loan Parties.** Each Loan Party represents and warrants to Lender as follows:

(a) Such Loan Party has all requisite power and authority under applicable law and under its organizational documents to execute, deliver and perform its obligations under this Amendment and under the Credit Agreement as amended hereby;

(b) All actions, waivers and consents (corporate, regulatory and otherwise) necessary or appropriate for it to execute, deliver and perform its obligations under this Amendment and the Credit Agreement as amended hereby, have been taken and/or received;

(c) This Amendment executed on the date hereof and the Credit Agreement, as amended by this Amendment, constitute the legal, valid and binding obligation of it enforceable against it in accordance with the terms, except as the enforceability hereof or thereof may be limited by applicable bankruptcy, insolvency, reorganization, moratorium or other similar laws generally affecting creditors’ rights and by general principles of equity and principles of good faith and fair dealing (regardless of whether enforcement is sought in equity or at law);

(d) The execution and delivery of this Amendment executed on the date hereof and performance its obligations thereunder and under the Credit Agreement, as amended hereby, do not and will not (a) violate (i) any provision of any law or any governmental rule or regulation applicable to Borrower or any of its Subsidiaries, (ii) any of the organizational documents of Borrower or any of its Subsidiaries, or (iii) any order, judgment or decree of any court or other agency of government binding on Borrower or any of its Subsidiaries, in the case of clauses (i) and (iii) to which such party or any of its property or assets is subject, except in the case of any contraventions that would not reasonably be expected, either individually or in the aggregate, to result in a Material Adverse Effect; (b) conflict with, result in a breach of or constitute (with due notice or lapse of time or both) a default under any Contractual Obligation of Borrower or any of its Subsidiaries except in the case of any contraventions that would not reasonably be expected, either individually or in the aggregate, to result in a Material Adverse Effect; (c) result in or require the creation or imposition of any Lien upon any of the properties or assets of Borrower or any of its Subsidiaries (other than any Liens created under any of the Loan Documents in favor of Lender); or (d) require any approval of stockholders, members or partners or any approval or consent of any Person under any Contractual Obligation of Borrower or any of its Subsidiaries,

except for such approvals or consents obtained on or before the Amendment Effective Date and disclosed in writing to Lender;

(e) The representations and warranties contained in the Credit Agreement and the other Loan Documents are true and correct in all material respects (except that such materiality qualifier shall not be applicable to any representations and warranties that already are qualified or modified by materiality in the text thereof) on and as of the Amendment Effective Date, before and after giving effect to the same, as though made on and as of such date (except to the extent that such representations and warranties solely relate to an earlier date);

(f) No Event of Default has occurred or is continuing on the Amendment Effective Date or would result from the transactions contemplated by this Amendment; and

(g) The Security Agreement continues to create a valid security interest in, and Lien upon, the Collateral, in favor of the Collateral Agent, which security interests and Liens are perfected in accordance with the terms of the Security Agreement and prior to all Liens other than Permitted Liens.

(h) Since the Closing Date, there have been no changes to the organizational documents of any Loan Party, and there have been no changes to the certificates of resolutions or other action of Responsible Officers that were delivered to Lender on the Closing Date.

3.3 Reaffirmation of Obligations. Each Loan Party hereby ratifies the Credit Agreement and acknowledges and reaffirms (a) that it is bound by all terms of the Credit Agreement (as amended hereby) and each other Loan Documents applicable to it and (b) that it is responsible for the observance and full performance of its Obligations. Each Loan Party acknowledges receipt of a copy of the Amendment. Each Loan Party hereby consents to the Amendment and reaffirms the Credit Agreement and the other Loan Documents to which it is a party and acknowledges that the execution and delivery of this Amendment shall have no effect on such Loan Party's obligations under the Credit Agreement or such other Loan Documents, each of which remains the legal, valid and binding obligation of such Loan Party and are hereby reaffirmed.

3.4 Loan Document. This Amendment shall constitute a Loan Document under the terms of the Credit Agreement.

3.5 Further Assurances. Each Loan Party agrees to promptly take such action, upon the reasonable request of Lender, as is necessary to carry out the intent of this Amendment.

3.6 Entirety. This Amendment, together with the annexes hereto, and the other Loan Documents, is intended by the parties hereto as a final expression of their agreement and is intended as a complete statement of the terms and conditions of their agreement with respect to the subject matter of this Amendment.

3.7 Counterparts; Telecopy. This Amendment may be executed in counterparts (and by different parties hereto in different counterparts), each of which shall constitute an original. Delivery of an executed counterpart of a signature page of this Amendment or any other document required to be delivered hereunder, by e-mail transmission (e.g., "pdf" or "tif") shall be effective as delivery of a manually executed counterpart of this Amendment. Without limiting the foregoing, to the extent a manually executed counterpart is not specifically required to be delivered under the terms of any Loan Document, upon the request of any party, such e-mail transmission shall be promptly followed by such manually executed counterpart.

3.8 GOVERNING LAW. THIS AMENDMENT AND ANY CLAIMS, CONTROVERSY, DISPUTE OR CAUSE OF ACTION (WHETHER IN CONTRACT OR TORT OR OTHERWISE) BASED UPON, ARISING OUT OF OR RELATING TO THIS AMENDMENT OR ANY OTHER LOAN DOCUMENT (EXCEPT, AS TO ANY OTHER LOAN DOCUMENT, AS EXPRESSLY SET FORTH THEREIN) AND THE TRANSACTIONS SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAW OF THE STATE OF NEW YORK.

3.9 Successors and Assigns. This Amendment shall be binding upon and inure to the benefit of the parties hereto and thereto and their respective successors and assigns permitted hereby, except that neither Borrower nor any other Loan Party may assign or otherwise transfer any of its rights or obligations hereunder without the prior written consent of Lender (and any other attempted assignment or transfer by any Loan Party shall be null and void). Nothing in this Amendment, expressed or implied, shall be construed to confer upon any Person (other than the parties hereto, their respective successors and assigns permitted hereby and, to the extent expressly contemplated hereby, the Related Parties of Lender) any legal or equitable right, remedy or claim under or by reason of this Amendment.

3.10 Consent to Jurisdiction; Service of Process; Waiver of Jury Trial. The jurisdiction, service of process and waiver of jury trial provisions set forth in Sections 10.13 and 10.14 of the Credit Agreement are hereby incorporated by reference, *mutatis mutandis*.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be duly executed as of the date first above written.

WORKHORSE GROUP INC., as Borrower

By: /s/ Jody Davis
Name: Jody Davis
Title: Chief Financial Officer

WORKHORSE TECHNOLOGIES INC., as a Guarantor
WORKHORSE PROPERTIES INC., as a Guarantor
HORSEFLY INC., as a Guarantor
STABLES & STALLS LLC, as a Guarantor
STABLES & STALLS REAL ESTATE I LLC, as a Guarantor
ROUTEHORSE LLC, as a Guarantor
OMAHA INTERMEDIATE, INC., as a Guarantor
OMAHA INTERMEDIATE 2, INC., as a Guarantor
WORKHORSE MOTOR WORKS INC., as a Guarantor
ESG LOGISTICS CORP., as a Guarantor
MOTIV POWER SYSTEMS, INC., as a Guarantor

By: /s/ Jody Davis _____
Name: Jody Davis
Title: Chief Financial Officer, Treasurer, Secretary

[Signature Page to Amendment No. 3 to Credit Agreement (Cash Flow)]

MOTIVE GM HOLDINGS II LLC, as
Lender

By: /s/ Gary Magness____
Name: Gary Magness
Title: Manager

THE SECURITIES REPRESENTED HEREBY HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE ‘SECURITIES ACT’). THE HOLDER MAY NOT OFFER, SELL, TRANSFER, ASSIGN, PLEDGE, HYPOTHECATE, OR OTHERWISE DISPOSE OF OR ENCUMBER SUCH SECURITIES EXCEPT PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT OR PROSPECTUS UNDER THE SECURITIES ACT AND THE RULES AND REGULATIONS PROMULGATED THEREUNDER AND IN COMPLIANCE WITH ANY APPLICABLE STATE SECURITIES LAW, RESPECTIVELY, OR WITH AN EXEMPTION FROM SUCH REGISTRATION OR PROSPECTUS REQUIREMENT.

**COMMON STOCK PURCHASE WARRANT
WORKHORSE GROUP INC.**

Warrant Shares: 750,000

Initial Exercise Date: [_____]

THIS COMMON STOCK PURCHASE WARRANT (the “**Warrant**”) is being issued as of [August __, 2026] pursuant to that certain Omnibus Amendment No. [●] dated as of [●], by and between the Company, Motive GM Holdings II LLC (“**MGMH**”) and the Guarantors, for that certain Credit Agreement (Cash Flow) dated as of December 15, 2025, by and between the Company, the Company’s Subsidiaries and MGMH, as amended (the “**Cash Flow Credit Agreement**”) and that certain Credit Agreement (Customer Orders) dated as of December 15, 2025, by and between the Company, the Company’s Subsidiaries and MGMH, as amended (the “**Customer Order Credit Agreement**”), and together with the Cash Flow Credit Agreement, the “**Credit Agreements**”) and certifies that, for value received, MGMH or its assigns (the “**Holder**”) is entitled, upon the terms and subject to the limitations on exercise and the conditions hereinafter set forth, at any time on or after the date hereof (the “**Initial Exercise Date**”) and on or prior to 11:59 p.m. (New York City time) on the date that is five years from the date hereof (the “**Termination Date**”) but not thereafter, to subscribe for and purchase from Workhorse Group Inc., a company incorporated under the laws of the State of Nevada (the “**Company**”), up to 750,000 shares (as subject to adjustment hereunder, the “**Warrant Shares**”) of Common Stock. The purchase price of one share of Common Stock under this Warrant shall be equal to the Exercise Price, as defined in Section 2(b). Capitalized terms used herein and not otherwise defined herein shall have the meanings ascribed thereto in the Credit Agreements, as applicable.

1. *Definitions.* In addition to the terms defined elsewhere in this Warrant, the following terms have the meanings indicated in this Section 1:

(a) “**Affiliate**” means any Person directly or indirectly is controlled by, controlling or under common control with a Person, as such terms are used in and construed under Rule 405 under the Securities Act.

(b) “**Bid Price**” means, for any date, the price determined by the first of the following clauses that applies: (a) if the Common Stock is then listed or quoted on a Trading Market, the bid price of the Common Stock for the time in question (or the nearest preceding date) on the Trading Market on which the Common Stock is then listed or quoted as reported by Bloomberg L.P. (based on a Trading Day from 9:30 a.m. (New York City time) to 4:02 p.m. (New York City time)), (b) if OTCQB or OTCQX is not a Trading Market, the volume weighted average price of the Common Stock for such date (or the nearest preceding date) on OTCQB or OTCQX as applicable, (c) if the Common Stock is not then listed or quoted for trading on OTCQB or OTCQX and if prices for the Common Stock are then reported on the Pink Open Market (or a similar organization or agency succeeding to its functions of reporting prices), the most recent bid price per share of the Common Stock so reported, or (d) in all other cases, the fair market value of a share of Common Stock as determined by an independent appraiser selected in good faith by the Holders of a majority in interest of the Warrants then outstanding and reasonably acceptable to the Company, the fees and expenses of which shall be paid by the Company.

(c) “**Business Day**” means any day other than Saturday, Sunday or other day on which commercial banks in The City of New York are authorized or required by law to remain closed; *provided, however*, for clarification,

commercial banks shall not be deemed to be authorized or required by law to remain closed due to “stay at home”, “shelter-in-place”, “non-essential employee” or any other similar orders or restrictions or the closure of any physical branch locations at the direction of any governmental authority so long as the electronic funds transfer systems (including for wire transfers) of commercial banks in The City of New York generally are open for use by customers on such day.

(d) “**Commission**” means the United States Securities and Exchange Commission.

(e) “**Common Stock**” means the common stock of the Company, par value \$0.001 per share, and any other class of securities into which such securities may hereafter be reclassified or changed.

(f) “**Common Stock Equivalents**” means any securities of the Company or the Subsidiaries which would entitle the holder thereof to acquire at any time Common Stock, including, without limitation, any debt, preferred stock, right, option, warrant or other instrument that is at any time convertible into or exercisable or exchangeable for, or otherwise entitles the holder thereof to receive, Common Stock.

(g) “**Exchange Act**” means the Securities Exchange Act of 1934, as amended, and the rules and regulations promulgated thereunder.

(h) “**Fundamental Transaction**” means any of the following, whether in one transaction or a series of related transactions: (A) a merger or consolidation in which the Company is not the surviving entity or in which the Company’s stockholders immediately prior thereto do not own more than 50% of the voting power of the surviving entity immediately thereafter; (B) a sale, lease, license, assignment, transfer, conveyance or other disposition of all or substantially all of the assets of the Company and its Subsidiaries taken as a whole; (C) any tender offer, exchange offer, stock purchase agreement, or business combination pursuant to which any Person or Group acquires beneficial ownership of more than 50% of the voting power of the Company’s capital stock; or (D) any reclassification of the Common Stock or compulsory or binding share exchange (other than as a result of a subdivision or combination of shares of Common Stock covered by Section 3(a).

(i) “**Person**” means an individual or corporation, partnership, trust, incorporated or unincorporated association, joint venture, limited liability company, joint stock company, government (or an agency or subdivision thereof) or other entity of any kind.

(j) “**Securities Act**” means the Securities Act of 1933, as amended, and the rules and regulations promulgated thereunder.

(k) “**Trading Day**” means any weekday on which the Trading Market is open for trading. If the Common Stock is not listed or admitted for trading, “**Trading Day**” means any day except any Saturday, any Sunday, any day which is a federal legal holiday in the United States or any day on which banking institutions in New York City are authorized or required by law or other governmental action to close.

(l) “**Trading Market**” means the Nasdaq Capital Market and any of the following markets or exchanges on which the Common Stock is listed or quoted for trading on the date in question: the NYSE American, the Nasdaq Global Select Market, the Nasdaq Global Market, the New York Stock Exchange, OTCQB or OTCQX (or any successors to any of the foregoing).

(m) “**Transfer Agent**” means Empire Stock Transfer, Inc., the current transfer agent of the Company, located at 1859 Whitney Mesa Drive, Henderson, Nevada 89014, and any successor transfer agent of the Company.

(n) “**VWAP**” means, for any date, the price determined by the first of the following clauses that applies: (a) if the Common Stock is then listed or quoted on a Trading Market, the daily volume weighted average price of the Common Stock for such date (or the nearest preceding date) on the Trading Market on which the Common Stock is then listed or quoted as reported by Bloomberg L.P. (based on a Trading Day from 9:30 a.m. (New York City time) to 4:02 p.m. (New York City time)), (b) if OTCQB or OTCQX is not a Trading Market, the volume weighted

average price of the Common Stock for such date (or the nearest preceding date) on OTCQB or OTCQX as applicable, (c) if the Common Stock is not then listed or quoted for trading on OTCQB or OTCQX and if prices for the Common Stock are then reported on the Pink Open Market (or a similar organization or agency succeeding to its functions of reporting prices), the most recent Bid Price per share of the Common Stock so reported, or (d) in all other cases, the fair market value of a share of Common Stock as determined by an independent appraiser selected in good faith by the holders of a majority in interest of the Warrants then outstanding and reasonably acceptable to the Company, the fees and expenses of which shall be paid by the Company.

(n) “**Warrant Agent**” means initially the Company, but upon ten (10) days’ notice to the Holder, the Company may appoint a new warrant agent reasonably acceptable to the Holder. Any corporation into which the Company or any new warrant agent may be merged or any corporation resulting from any consolidation to which the Company or any new warrant agent shall be a party or any corporation to which the Company or any new warrant agent transfers substantially all of its corporate trust or shareholders services business shall be a successor warrant agent under this Warrant without any further act. Any such successor warrant agent shall promptly cause notice of its succession as warrant agent to be mailed (by first class mail, postage prepaid) to the Holder at the Holder’s last address as shown on the Warrant Register.

(o) “**Warrants**” means this Warrant and any other warrants issued pursuant to the Credit Agreements.

2. *Exercise.*

(a) Exercise of Warrant. Exercise of the purchase rights represented by this Warrant may be made, in whole or in part, at any time or times on or after the Initial Exercise Date and on or before the Termination Date by delivery to the Company of a duly executed e-mail attachment of the Notice of Exercise in the form annexed hereto (the “**Notice of Exercise**”). Within the earlier of (i) two (2) Trading Days and (ii) the number of Trading Days comprising the Standard Settlement Period (as defined in Section 2(d)(i) herein) following the date of exercise as aforesaid, the Holder shall deliver the aggregate Exercise Price for the shares specified in the applicable Notice of Exercise by wire transfer unless the cashless exercise procedure specified in Section 2(c) below is applicable and specified in the applicable Notice of Exercise. No ink-original Notice of Exercise shall be required, nor shall any medallion guarantee (or other type of guarantee or notarization) of any Notice of Exercise be required. Notwithstanding anything herein to the contrary, the Holder shall not be required to physically surrender this Warrant to the Company until the Holder has purchased all of the Warrant Shares available hereunder and the Warrant has been exercised in full, in which case, the Holder shall surrender this Warrant to the Company for cancellation within three (3) Trading Days of the date on which the final Notice of Exercise is delivered to the Company. Partial exercises of this Warrant resulting in purchases of a portion of the total number of Warrant Shares available hereunder shall have the effect of lowering the outstanding number of Warrant Shares purchasable hereunder in an amount equal to the applicable number of Warrant Shares purchased. The Holder and the Company shall maintain records showing the number of Warrant Shares purchased and the date of such purchases. The Company shall deliver any objection to any Notice of Exercise within three (3) Business Day of receipt of such notice. **The Holder and any permitted assignee, by acceptance of this Warrant, acknowledge and agree that, by reason of the provisions of this paragraph, following the purchase of a portion of the Warrant Shares hereunder, the number of Warrant Shares available for purchase hereunder at any given time may be less than the amount stated on the face hereof.**

(b) Exercise Price. The exercise price per share of Common Stock under this Warrant shall be \$10.00, subject to adjustment hereunder (the “**Exercise Price**”).

(c) Cashless Exercise. Notwithstanding anything to the contrary set forth herein, at any time when there is no effective registration statement registering the issuance of Warrant Shares to the Holder or the prospectus contained therein is not available for, at the Holder’s option, the resale of the Warrant Shares by the Holder, then this Warrant may also be exercised, in whole or in part, at such time by means of a “cashless exercise” in which the Holder shall be entitled to receive a number of Warrant Shares equal to the quotient obtained by dividing [(A-B) (X)] by (A), where:

(A) = as applicable: (i) the VWAP on the Trading Day immediately preceding the date of the applicable Notice of Exercise if such Notice of Exercise is (1) both executed and delivered pursuant to Section 2(a) hereof on a day that is not a Trading Day or (2) both executed and delivered pursuant to Section 2(a) hereof on a Trading Day prior to the opening of “regular trading hours” (as defined in Rule 600(b) of Regulation NMS promulgated under the federal securities laws) on such Trading Day, (ii) at the option of the Holder, either (y) the VWAP on the Trading Day immediately preceding the date of the applicable Notice of Exercise or (z) the Bid Price of the Common Stock on the principal Trading Market as reported by Bloomberg L.P. (“**Bloomberg**”) as of the time of the Holder’s execution of the applicable Notice of Exercise if such Notice of Exercise is executed during “regular trading hours” on a Trading Day and is delivered within two (2) hours thereafter (including until two (2) hours after the close of “regular trading hours” on a Trading Day) pursuant to Section 2(a) hereof or (iii) the VWAP on the date of the applicable Notice of Exercise if the date of such Notice of Exercise is a Trading Day and such Notice of Exercise is both executed and delivered pursuant to Section 2(a) hereof after the close of “regular trading hours” on such Trading Day;

(B) = the Exercise Price of this Warrant, as adjusted hereunder; and

(X) = the number of Warrant Shares that would be issuable upon exercise of this Warrant in accordance with the terms of this Warrant if such exercise were by means of a cash exercise rather than a cashless exercise.

If Warrant Shares are issued in such a cashless exercise, the parties acknowledge and agree that in accordance with Section 3(a)(9) of the Securities Act, the Warrant Shares shall take on the registered characteristics of the Warrants being exercised, and the holding period of this Warrant may be tacked on to the holding period of the Warrant Shares. The Company agrees not to take any position contrary to this Section 2(c), except to the extent required by applicable law, rule or regulation.

(d) Mechanics of Exercise.

(i) Delivery of Warrant Shares Upon Exercise. The Company shall cause the Warrant Shares purchased hereunder to be transmitted by the Transfer Agent to the Holder by crediting the account of the Holder’s or its designee’s balance account with The Depository Trust Company through its Deposit or Withdrawal at Custodian system (“**DWAC**”) if the Company is then a participant in such system and either (A) there is an effective registration statement permitting the issuance of the Warrant Shares to or resale of the Warrant Shares by Holder or (B) the Warrant Shares are eligible for resale by the Holder without volume or manner-of-sale restrictions or current public information requirements pursuant to Rule 144 promulgated under the Securities Act (“**Rule 144**”) (assuming cashless exercise of the Warrant), and otherwise by book-entry, registered in the Company’s share register in the name of the Holder or its designee, for the number of Warrant Shares to which the Holder is entitled pursuant to such exercise to the address specified by the Holder in the Notice of Exercise by the date that is the later of (i) one (1) Trading Day after the delivery to the Company of the Notice of Exercise, (ii) one (1) Trading Day after delivery of the aggregate Exercise Price (other than in the case of a cashless exercise) to the Company and (iii) the number of Trading Days comprising the Standard Settlement Period after the delivery to the Company of the Notice of Exercise (such date, the “**Warrant Share Delivery Date**”). Upon delivery of the Notice of Exercise, the Holder shall be deemed for all corporate purposes to have become the holder of record and beneficial owner of the Warrant Shares with respect to which this Warrant has been exercised, irrespective of the date of delivery of the Warrant Shares, *provided* that payment of the aggregate Exercise Price (other than in the case of a cashless exercise) is received within the earlier of (i) two (2) Trading Days and (ii) the number of Trading Days comprising the Standard Settlement Period following delivery of the Notice of Exercise. The Company agrees to maintain a transfer agent that is a participant in the FAST program so long as this Warrant remains outstanding and exercisable. As used herein, “**Standard Settlement Period**” means the standard settlement period, expressed in a number of Trading Days, on the Company’s primary Trading Market with respect to the Common Stock as in effect on the date of delivery of the Notice of Exercise.

(ii) Delivery of New Warrants Upon Exercise. If this Warrant shall have been exercised in part, the Company shall, at the request of a Holder and upon surrender of this Warrant certificate, at the time of delivery of the Warrant Shares, deliver to the Holder a new Warrant evidencing the rights of the Holder to

purchase the unpurchased Warrant Shares called for by this Warrant, which new Warrant shall in all other respects be identical with this Warrant.

(iii) Rescission Rights. If the Company fails to cause the Transfer Agent to transmit to the Holder the Warrant Shares pursuant to Section 2(d)(i) by the Warrant Share Delivery Date, then the Holder will have the right to rescind such exercise in whole or in part by providing the Company with written notice of rescission, in which case any Aggregate Exercise Price paid shall be returned to the Holder and this Warrant shall be reinstated with respect to the rescinded portion; provided that the rescission of an exercise shall not affect the Company's obligation to make any payments that have accrued prior to the date of such notice.

(v) No Fractional Shares or Scrip. No fractional shares or scrip representing fractional shares shall be issued upon the exercise of this Warrant. As to any fraction of a share which the Holder would otherwise be entitled to purchase upon such exercise, the Company shall, at its election, either pay a cash adjustment in respect of such final fraction in an amount equal to such fraction multiplied by the Exercise Price or round up to the nearest whole share.

(vi) Charges, Taxes and Expenses. Issuance of Warrant Shares shall be made without charge to the Holder for any issue or transfer tax or other incidental expense in respect of the issuance of such Warrant Shares, all of which taxes and expenses shall be paid by the Company, and such Warrant Shares shall be issued in the name of the Holder or in such name or names as may be directed by the Holder; *provided, however*, that in the event that Warrant Shares are to be issued in a name other than the name of the Holder, this Warrant when surrendered for exercise shall be accompanied by the Assignment Form attached hereto duly executed by the Holder and the Company may require, as a condition thereto, the payment of a sum sufficient to reimburse it for any transfer tax incidental thereto. The Company shall pay all Transfer Agent fees required for same-day processing of any Notice of Exercise and all fees to the Depository Trust Company (or another established clearing corporation performing similar functions) required for same-day electronic delivery of the Warrant Shares.

(vii) Closing of Books. The Company will not close its stockholder books or records in any manner which prevents the timely exercise of this Warrant, pursuant to the terms hereof.

3. *Certain Adjustments.*

(a) Stock Dividends and Splits. If the Company, at any time while this Warrant is outstanding: (i) pays a stock dividend or otherwise makes a distribution or distributions on shares of its Common Stock or any other equity or equity equivalent securities payable in shares of Common Stock (which, for avoidance of doubt, shall not include any shares of Common Stock issued by the Company upon exercise of this Warrant), (ii) subdivides outstanding shares of Common Stock into a larger number of shares, (iii) combines (including by way of reverse stock split) outstanding shares of Common Stock into a smaller number of shares, or (iv) issues by reclassification of shares of the Common Stock any shares of capital stock of the Company, then in each case the Exercise Price shall be multiplied by a fraction of which the numerator shall be the number of shares of Common Stock (excluding treasury shares, if any) outstanding immediately before such event and of which the denominator shall be the number of shares of Common Stock outstanding immediately after such event, and the number of shares issuable upon exercise of this Warrant shall be proportionately adjusted such that the aggregate Exercise Price of this Warrant shall remain unchanged. Any adjustment made pursuant to this Section 3(a) shall become effective immediately after the record date for the determination of stockholders entitled to receive such dividend or distribution and shall become effective immediately after the effective date in the case of a subdivision, combination or re-classification.

(b) Subsequent Rights Offerings. In addition to any adjustments pursuant to Section 3(a) above, if at any time the Company grants, issues or sells any Common Stock Equivalents or rights to purchase stock, warrants, securities or other property pro rata to the record holders of any class of shares of Common Stock (the "**Purchase Rights**"), then the Holder will be entitled to acquire, upon the terms applicable to such Purchase Rights, the aggregate Purchase Rights which the Holder could have acquired if the Holder had held the number of shares of Common Stock acquirable upon complete exercise of this Warrant (without regard to any limitations on exercise hereof) immediately before the date on which a record is taken for the grant, issuance or sale of such Purchase Rights, or, if

no such record is taken, the date as of which the record holders of shares of Common Stock are to be determined for the grant, issue or sale of such Purchase Rights.

(c) Pro Rata Distributions. During such time as this Warrant is outstanding, if the Company shall declare or make any dividend or other distribution of its assets (or rights to acquire its assets) to holders of shares of Common Stock, by way of return of capital or otherwise (including, without limitation, any distribution of cash, stock or other securities, property or options by way of a dividend, spin off, reclassification, corporate rearrangement, scheme of arrangement or other similar transaction) other than dividends, distributions or adjustments subject to Sections 3(a) and 3(b) (a “**Distribution**”) and other than a reclassification as to which Section 3(f) applies, then in each such case, at any time after the issuance of this Warrant, then, in each such case, the Holder shall be entitled to participate in such Distribution to the same extent that the Holder would have participated therein if the Holder had held the number of shares of Common Stock acquirable upon complete exercise of this Warrant (without regard to any limitations on exercise hereof) immediately before the date of which a record is taken for such Distribution, or, if no such record is taken, the date as of which the record holders of shares of Common Stock are to be determined for the participation in such Distribution.

(d) Fundamental Transactions. The Company shall not enter into any Fundamental Transaction unless the Successor Entity either (i) assumes in writing all obligations of the Company under this Warrant and delivers to Holder a substantially similar warrant with an exercise price and share number reflecting the transaction economics, or (ii) otherwise provides that following any such Fundamental Transaction, upon exercise, the Holder shall be entitled to receive the same securities, cash or other property the Holder would have received had it exercised in full immediately prior to the Fundamental Transaction (without regard to any limitations on exercise). This Section 3(d) shall similarly apply to subsequent transactions similar to or analogous of a Fundamental Transaction.

(e) Calculations. All calculations under this Section 3 shall be made to the nearest cent or the nearest 1/100th of a share, as the case may be. For purposes of this Section 3, the number of shares of Common Stock deemed to be issued and outstanding as of a given date shall be the sum of the number of shares of Common Stock (excluding treasury shares, if any) issued and outstanding. Notwithstanding the foregoing, in no event may the Exercise Price be adjusted below the par value of the Common Stock then in effect.

(f) Notice to Holder.

(i) Adjustment to Exercise Price. Whenever the Exercise Price is adjusted pursuant to any provision of this Section 3, the Company shall promptly deliver to the Holder by facsimile or email a notice setting forth the Exercise Price after such adjustment and any resulting adjustment to the number of Warrant Shares and setting forth a brief statement of the facts requiring such adjustment.

(ii) Notice to Allow Exercise by Holder. If (A) the Company shall declare a dividend (or any other distribution in whatever form) on the Common Stock, (B) the Company shall declare a special nonrecurring cash dividend on or a redemption of the Common Stock, (C) the Company shall authorize the granting to all holders of the Common Stock rights or warrants to subscribe for or purchase any shares of capital stock of any class or of any rights, (D) the approval of any stockholders of the Company shall be required in connection with any reclassification of the Common Stock, any consolidation or merger to which the Company is a party, any sale or transfer of all or substantially all of the assets of the Company, or any compulsory share exchange whereby the Common Stock is converted into other securities, cash or property, or (E) the Company shall authorize the voluntary or involuntary dissolution, liquidation or winding up of the affairs of the Company, then, in each case, the Company shall cause to be delivered by facsimile or email to the Holder at its last facsimile number or email address as it shall appear upon the Warrant Register of the Company, at least fifteen calendar days prior to the applicable record or effective date hereinafter specified, a notice stating (x) the date on which a record is to be taken for the purpose of such dividend, distribution, redemption, rights or warrants, or if a record is not to be taken, the date as of which the holders of the Common Stock of record to be entitled to such dividend, distributions, redemption, rights or warrants are to be determined or (y) the date on which such reclassification, consolidation, merger, sale, transfer or share exchange is expected to become effective or close, and the date as of which it is expected that holders of the Common Stock of record shall be entitled to exchange their shares of the Common Stock for securities, cash or other property

deliverable upon such reclassification, consolidation, merger, sale, transfer or share exchange; *provided* that the failure to deliver such notice or any defect therein or in the delivery thereof shall not affect the validity of the corporate action required to be specified in such notice. To the extent that any notice provided in this Warrant constitutes, or contains, material, non-public information regarding the Company or any of the Subsidiaries, the Company shall simultaneously file such notice with the Commission on a Current Report on Form 8-K. The Holder shall remain entitled to exercise this Warrant during the period commencing on the date of such notice to the effective date of the event triggering such notice except as may otherwise be expressly set forth herein.

4. *Transfer of Warrant.*

(a) Transferability. The Holder may transfer or assign this Warrant only to an Affiliate of the Holder or any current or former director, officer, employee, consultant or advisor of Holder or any such Affiliate or any Person beneficially owned solely by any one or more of such directors, officers, employees, consultants or advisors, provided that such transfer must be effected in compliance with applicable United States federal and state securities laws and the terms and conditions of this Warrant. Upon transfer, the Holder shall surrender this Warrant at the principal office of the Company or its designated agent, and provide a written assignment of this Warrant substantially in the form attached hereto duly executed by the Holder or its agent or attorney and funds sufficient to pay any transfer taxes payable upon the making of such transfer. Upon such surrender and, if required, such payment, the Company shall execute and deliver a new Warrant or Warrants in the name of the assignee or assignees, as applicable, and in the denomination or denominations specified in such instrument of assignment, and shall issue to the assignor a new Warrant evidencing the portion of this Warrant not so assigned, and this Warrant shall promptly be cancelled. Notwithstanding anything herein to the contrary, the Holder shall not be required to physically surrender this Warrant to the Company unless the Holder has assigned this Warrant in full, in which case, the Holder shall surrender this Warrant to the Company within three (3) Trading Days of the date on which the Holder delivers an assignment form to the Company assigning this Warrant in full. The Warrant, if properly assigned in accordance herewith, may be exercised by a new holder for the purchase of Warrant Shares without having a new Warrant issued.

(b) New Warrants. This Warrant may be divided or combined with other Warrants upon presentation hereof at the aforesaid office of the Company, together with a written notice specifying the names and denominations in which new Warrants are to be issued, signed by the Holder or its agent or attorney. Subject to compliance with Section 4(a), as to any transfer which may be involved in such division or combination, the Company shall execute and deliver a new Warrant or Warrants in exchange for the Warrant or Warrants to be divided or combined in accordance with such notice. All Warrants issued on transfers or exchanges shall be dated the Initial Exercise Date and shall be identical with this Warrant except as to the number of Warrant Shares issuable pursuant thereto.

(c) Warrant Register. The Warrant Agent shall register this Warrant, upon records to be maintained by the Warrant Agent for that purpose (the “**Warrant Register**”), in the name of the record Holder hereof from time to time. The Company and the Warrant Agent may deem and treat the registered Holder of this Warrant as the absolute owner hereof for the purpose of any exercise hereof or any distribution to the Holder, and for all other purposes, absent actual notice to the contrary.

(d) Transfer Restrictions. The Holder acknowledges that the Warrant Shares acquired upon the exercise of this Warrant, if not registered pursuant to an effective registration statement under the Securities Act or eligible for resale without volume or manner-of-sale restrictions or current public information requirements pursuant to Rule 144, will have restrictions upon resale imposed by state and federal securities laws and such Warrant Shares will be imprinted with the following legend:

THE SECURITIES REPRESENTED HEREBY HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE “SECURITIES ACT”). THE HOLDER MAY NOT OFFER, SELL, TRANSFER, ASSIGN, PLEDGE, HYPOTHECATE, OR OTHERWISE DISPOSE OF OR ENCUMBER SUCH SECURITIES EXCEPT PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT OR PROSPECTUS UNDER THE SECURITIES ACT AND THE RULES AND

REGULATIONS PROMULGATED THEREUNDER AND IN COMPLIANCE WITH ANY APPLICABLE STATE SECURITIES LAW, RESPECTIVELY, OR WITH AN EXEMPTION FROM SUCH REGISTRATION OR PROSPECTUS REQUIREMENT.

(e) Representation by Holder. The Holder, by the acceptance hereof, represents and warrants that it is acquiring this Warrant and, upon any exercise hereof, will acquire the Warrant Shares issuable upon such exercise, for its own account and not with a view to or for distributing or reselling such Warrant Shares or any part thereof in violation of the Securities Act or any applicable state securities law, except pursuant to sales registered or exempted under the Securities Act.

5. *Miscellaneous.*

(a) No Rights as Stockholder Until Exercise. This Warrant does not entitle the Holder to any voting rights, dividends or other rights as a stockholder of the Company in respect of the Warrant Shares prior to the exercise hereof as set forth in Section 2(d)(i), except as expressly set forth in Section 3. Without limiting any rights of a Holder to receive Warrant Shares on a “cashless exercise” pursuant to Section 2(c), to receive cash payments pursuant to Section 2(d) herein, in no event shall the Company be required to net cash settle an exercise of this Warrant.

(b) Loss, Theft, Destruction or Mutilation of Warrant. The Company covenants that upon receipt by the Company of evidence reasonably satisfactory to it of the loss, theft, destruction or mutilation of this Warrant or any stock certificate relating to the Warrant Shares, and in case of loss, theft or destruction, of indemnity or security reasonably satisfactory to it (which, in the case of the Warrant, shall not include the posting of any bond), and upon surrender and cancellation of such Warrant or stock certificate, if mutilated, the Company will make and deliver a new Warrant or stock certificate of like tenor and dated as of such cancellation, in lieu of such Warrant or stock certificate.

(c) Saturdays, Sundays, Holidays, etc. If the last or appointed day for the taking of any action or the expiration of any right required or granted herein shall not be a Business Day, then, such action may be taken or such right may be exercised on the next succeeding Business Day.

(d) Authorized Shares. The Company covenants that, during the period the Warrant is outstanding, it will reserve from its authorized and unissued Common Stock a sufficient number of shares to provide for the issuance of the Warrant Shares upon the exercise of any purchase rights under this Warrant. The failure of the Company to reserve and keep available out of the aggregate of its authorized but unissued and otherwise unreserved Common Stock a sufficient number of shares of Common Stock to enable it to issue Warrant Shares upon exercise of this Warrant as herein provided is referred to herein as an “**Authorized Share Failure**.” The Company further covenants that its issuance of this Warrant shall constitute full authority to its officers who are charged with the duty of issuing the necessary Warrant Shares upon the exercise of the purchase rights under this Warrant. The Company will take all such reasonable action as may be necessary to assure that such Warrant Shares may be issued as provided herein without violation of any applicable law or regulation, or of any requirements of the Trading Market upon which the Common Stock may be listed. The Company covenants that all Warrant Shares which may be issued upon the exercise of the purchase rights represented by this Warrant will, upon exercise of the purchase rights represented by this Warrant and payment for such Warrant Shares in accordance herewith, be duly authorized, validly issued, fully paid and nonassessable and free from all taxes, liens and charges created by the Company in respect of the issue thereof (other than taxes in respect of any transfer occurring contemporaneously with such issue). The Company further covenants that it will not, without the prior written consent of the Holder, take any actions to increase the par value of the Common Stock at any time while this Warrant is outstanding. In furtherance of the Company’s obligations set forth in this Section 5(d), as soon as practicable after the date of the occurrence of an Authorized Share Failure, but in no event later than ninety (90) days after the occurrence of such Authorized Share Failure, the Company shall hold a meeting of its stockholders for the approval of an increase in the number of authorized shares of Common Stock. In connection with such meeting, the Company shall provide each stockholder with a proxy statement and shall use its reasonable best efforts to solicit its stockholders’ approval of such increase in authorized shares of Common Stock and to cause its board of directors to recommend to the stockholders that they approve

such proposal. Notwithstanding the foregoing, if at any such time of an Authorized Share Failure, the Company is able to obtain the written consent of a majority of the shares of its issued and outstanding shares of Common Stock to approve the increase in the number of authorized shares of Common Stock, the Company may satisfy this obligation by obtaining such consent and submitting for filing with the Commission an Information Statement on Schedule 14C.

Except and to the extent as waived or consented to by the Holder, the Company shall not by any action, including, without limitation, amending its certificate of incorporation or through any reorganization, transfer of assets, consolidation, merger, dissolution, issue or sale of securities or any other voluntary action, avoid or seek to avoid the observance or performance of any of the terms of this Warrant, but will at all times in good faith assist in the carrying out of all such terms and in the taking of all such actions as may be necessary or appropriate to protect the rights of Holder as set forth in this Warrant against impairment. Without limiting the generality of the foregoing, the Company will (i) not increase the par value of any Warrant Shares above the amount payable therefor upon such exercise immediately prior to such increase in par value, (ii) take all such action as may be necessary or appropriate in order that the Company may validly and legally issue fully paid and nonassessable Warrant Shares upon the exercise of this Warrant and (iii) use commercially reasonable efforts to obtain all such authorizations, exemptions or consents from any public regulatory body having jurisdiction thereof, as may be, necessary to enable the Company to perform its obligations under this Warrant.

In connection with any action which results in an adjustment in the number of Warrant Shares for which this Warrant is exercisable or in the Exercise Price, the Company shall obtain all such authorizations or exemptions thereof, or consents thereto, as may be necessary from any public regulatory body or bodies having jurisdiction thereof.

(e) Anti-Takeover Provisions. The Company hereby represents, warrants and covenants that (i) the Company and its Board of Directors have taken all action necessary to render inapplicable to the issuance of this Warrant and the Warrant Shares and the legal or beneficial ownership of any securities of the Company by the Holder or any of its Affiliates, Sections 78.411 through 78.444 of the Nevada Revised Statutes, and (ii) the Company has not adopted, and shall not adopt while this Warrant remains outstanding, any stockholder rights plan, "poison pill" or similar arrangement applicable to the Holder or any of its Affiliates or, if any such arrangement is adopted, the Company shall exempt the Holder and its Affiliates therefrom.

(f) Governing Law. Section 10.13 of the Cash Flow Credit Agreement is hereby incorporated by reference, *mutatis mutandis*.

(g) Nonwaiver and Expenses. No course of dealing or any delay or failure to exercise any right hereunder on the part of Holder shall operate as a waiver of such right or otherwise prejudice the Holder's rights, powers or remedies. Without limiting any other provision of this Warrant, if the Company fails to comply with any provision of this Warrant, which results in any material damages to the Holder, the Company shall pay to the Holder such amounts as shall be sufficient to cover any costs and expenses including, but not limited to, reasonable attorneys' fees, including those of appellate proceedings, incurred by the Holder in collecting any amounts due pursuant hereto or in otherwise enforcing any of its rights, powers or remedies hereunder.

(h) Notices. Any and all notices or other communications or deliveries to be provided by the Holders hereunder including, without limitation, any Notice of Exercise, shall be in writing and delivered personally, or via e-mail, or sent by a nationally recognized overnight courier service, addressed to the Company, at Workhorse Group Inc., 48443 Alpha Drive #190, Wixom, Michigan 48393, Attention: Chief Financial Officer, e-mail addresses: [redacted], or such other e-mail address or addresses as the Company may specify for such purposes by notice to the Holders. Any and all notices or other communications or deliveries to be provided by the Company hereunder shall be in writing and delivered personally, by facsimile or e-mail, or sent by a nationally recognized overnight courier service addressed to each Holder at the e-mail address or address of such Holder appearing on the books of the Company. Any notice or other communication or deliveries hereunder shall be deemed given and effective on the earliest of (i) the date of transmission, if such notice or communication is delivered via e-mail at the e-mail addresses set forth in this Section prior to 5:30 p.m. (New York City time) on any date, (ii) the next

Trading Day after the date of transmission, if such notice or communication is delivered via e-mail at the e-mail addresses set forth in this Section on a day that is not a Trading Day or later than 5:30 p.m. (New York City time) on any Trading Day, (iii) the second Trading Day following the date of mailing, if sent by U.S. nationally recognized overnight courier service, or (iv) upon actual receipt by the party to whom such notice is required to be given.

(i) Limitation of Liability. No provision hereof, in the absence of any affirmative action by the Holder to exercise this Warrant to purchase Warrant Shares, and no enumeration herein of the rights or privileges of the Holder, shall give rise to any liability of the Holder for the purchase price of any Common Stock or as a stockholder of the Company, whether such liability is asserted by the Company or by creditors of the Company.

(j) Remedies. The Holder, in addition to being entitled to exercise all rights granted by law, including recovery of damages, will be entitled to specific performance of its rights under this Warrant. The Company agrees that monetary damages would not be adequate compensation for any loss incurred by reason of a breach by it of the provisions of this Warrant and hereby agrees to waive and not to assert the defense in any action for specific performance that a remedy at law would be adequate.

(k) Successors and Assigns. Subject to applicable securities laws, this Warrant and the rights and obligations evidenced hereby shall inure to the benefit of and be binding upon the successors and permitted assigns of the Company and the successors and permitted assigns of Holder. The provisions of this Warrant are intended to be for the benefit of any Holder from time to time of this Warrant and shall be enforceable by the Holder or holder of Warrant Shares.

(l) Amendment. This Warrant may be modified or amended or the provisions hereof waived with the written consent of the Company, on the one hand, and the Holder, on the other hand.

(m) Severability. Wherever possible, each provision of this Warrant shall be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this Warrant shall be prohibited by or invalid under applicable law, such provision shall be ineffective to the extent of such prohibition or invalidity, without invalidating the remainder of such provisions or the remaining provisions of this Warrant.

(n) Headings. The headings used in this Warrant are for the convenience of reference only and shall not, for any purpose, be deemed a part of this Warrant.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, the parties hereto have caused this Warrant to be duly executed as of the date first indicated above.

COMPANY:

WORKHORSE GROUP INC.

By: _____

Name: Scott Griffith

Title: Chief Executive Officer

HOLDER:

MOTIVE GM HOLDINGS II LLC

By: _____

Name: Gary Magness

Title: Manager

[Signature Page to Common Stock Purchase Warrant]