

**EXHIBIT B**

Convertible Debt Agreement

[attached]

## CONVERTIBLE DEBT AGREEMENT

THE SECURITIES EVIDENCED BY THIS AGREEMENT HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE “ACT”), OR APPLICABLE STATE SECURITIES LAWS, AND NO INTEREST MAY BE SOLD, DISTRIBUTED, ASSIGNED, OFFERED, PLEDGED OR OTHERWISE TRANSFERRED UNLESS (A) THERE IS AN EFFECTIVE REGISTRATION STATEMENT UNDER THE ACT AND APPLICABLE STATE SECURITIES LAWS COVERING ANY SUCH TRANSACTION INVOLVING SUCH SECURITIES, (B) TOOLBOX OS, INC., RECEIVES AN OPINION OF LEGAL COUNSEL FOR THE HOLDER OF THESE SECURITIES (REASONABLY ACCEPTABLE IN FORM AND SUBSTANCE TO TOOLBOX OS, INC. AND ITS LEGAL COUNSEL) STATING THAT SUCH TRANSACTION IS EXEMPT FROM REGISTRATION, (C) TOOLBOX OS, INC. OTHERWISE SATISFIES ITSELF THAT SUCH TRANSACTION IS EXEMPT FROM REGISTRATION; OR (D) SUCH SALE IS IN COMPLIANCE WITH RULE 144 UNDER THE ACT.

**THIS CONVERTIBLE DEBT AGREEMENT** (this “**Agreement**”) is entered into to be effective as of \_\_\_\_\_ (the “**Issue Date**”) by and between ToolBox OS, Inc., a Wyoming corporation (“**ToolBox**”) and \_\_\_\_\_ (“**Lender**”).

Each of ToolBox and Lender may be referred to hereinafter individually as a “**Party**” and collectively as the “**Parties**.”

WHEREAS, the Parties desire for Lender to loan to ToolBox the Loan Amount (defined below) and for ToolBox to exercise the option to convert the Loan Amount, plus accrued interest, into an equity interest in ToolBox, pursuant to the terms of this Agreement.

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

1. Disbursement of Loan Amount. Lender hereby agrees to disburse and lend to ToolBox the principal sum of \_\_\_\_\_ Thousand Dollars (\$\_\_\_\_\_,000.00) (the “**Loan Amount**”). Lender shall deliver the Loan Amount to ToolBox as soon as reasonably practicable and in no event later than two (2) business days following the execution of this Agreement by check, wire transfer, electronic funds transfer, or through such other means as may be agreed upon by the Parties.

2. Use of Funds. The Parties mutually agree that ToolBox may use the Loan Amount for acquiring target entities, for related working capital, or for any other business purpose in its sole discretion as outlined in that certain confidential offering memorandum of the Corporation dated November 5, 2024, as may be amended (the “**Offering Memorandum**”) determined by the board of the Corporation in its sole and absolute discretion. The Company has not placed a limit on the amount of the Loan Amount it will allocate or use at a particular time or diversification, but will actively manage the Loan Amount and determine its ultimate use..

3. Effective Date and Maturity Date. Two (2) business days after the receipt of the loan amount herein shall be considered (the “**Effective Date**”). ToolBox hereby promises to pay to the order of Lender the full Loan Amount, together with all accrued but unpaid interest on or before the date (the “**Maturity Date**”) that is (select one):

- \_\_\_ Two (2) years from the Effective Date (with 16% applicable interest rate)
- \_\_\_ Three (3) years from the Effective Date (with 18% applicable interest rate)
- \_\_\_ Two (2) years from the Effective Date (with 18% applicable interest rate)
- \_\_\_ Three (3) years from the Effective Date (with 20% applicable interest rate)

4. Interest. The Loan Amount shall accrue interest prior to the Maturity Date at the annual simple interest rate designated above (depending on length of Term). Interest accrual shall not be compounded. ToolBox shall be required to make monthly interest-only payments with each such monthly interest-only payment being due and payable in full on each first day of the month following the Effective Date. Interest accrual shall be pro-rated for any partial months. If any monthly interest-only payment is not paid within ten (10) calendar days of the date such interest payment is due, no Event of Default shall occur. Instead, such past due interest amount shall accrue interest at the default interest rate of two percent (2%) per month and be due on the Maturity Date, unless paid sooner in the sole and absolute discretion of the Company.

5. Conversion Option. If an Event of Default occurs, ToolBox may convert the Loan Amount, plus accrued but unpaid interest (the “**Total Conversion Funds**”) into an equity interest (common shares) in ToolBox (the “**Conversion Option**”). To the extent that an Event of Default looks imminent, ToolBox will provide written notice of its election to do so at the Maturity Date. To the extent ToolBox exercises the Conversion Option, the Total Conversion Funds shall be used to purchase ToolBox common shares at a price per share equal to the then-current price at which ToolBox is selling its common shares as of the date of Lender’s receipt of written notice of ToolBox’s election to exercise the Conversion Option. By way of illustration, should Lender loan ToolBox \$100,000 and ToolBox would elect to exercise the Conversion Option at the Maturity Date, the Total Conversion Funds shall be \$100,000 (assuming all quarterly interest-only payments had been made). As an example conversion, to the extent that ToolBox was selling common shares at the time of conversion at \$0.68 per share, the Lender shall be entitled to use the Total Conversion Funds to acquire ToolBox’s common shares at a purchase price of \$0.68. Following ToolBox’s exercise of the Conversion Option, Lender shall sign and deliver to ToolBox such subscription agreement, stock purchase agreement or related documentation as ToolBox may reasonably request in order to formally document Lender’s purchase of ToolBox common shares.

In the event ToolBox does not exercise the Conversion Option within ten (10) calendar days of the Maturity Date, the Conversion Option shall be irrevocably forfeited, and ToolBox shall repay the Loan Amount, plus all accrued interest within ten (10) calendar days of the Maturity Date. If ToolBox does not exercise the Conversion Option and does not pay the Loan Amount and any accrued interest on the Loan Amount (the “**Outstanding Balance**”) within ten (10) calendar days after the Maturity Date, any past-due amount shall accrue interest at the default interest rate of two percent (2%) per month until paid.

6. **Mandatory Conversion.** In the event that the Outstanding Balance remains unpaid for a period of twelve months after the Maturity Date (the “**Mandatory Conversion Date**”), ToolBox shall convert the Outstanding Balance into ToolBox common shares under the same terms and conditions as set forth in Section 5, except that for the purposes of calculating the number of ToolBox common shares to be purchased, Total Conversion Funds shall mean the Outstanding Balance at the time of conversion.

7. **Default.** Each of the following events shall be an “**Event of Default**” hereunder:

7.1 ToolBox’s failure to pay all of the Loan Amount, interest accrued thereon within ten (10) calendar days Maturity Date. Notwithstanding the foregoing, a payment default may be cured (and no event of default will have occurred) if ToolBox cures the payment default within ten (10) calendar days from the date of default plus ten (10) calendar days after receiving written notice (each, a “**Default Notice**”) from the Lender demanding cure of such payment default (the “**Payment Cure Period**”).

7.2 ToolBox’s failure to perform or observe any of the covenants, promises, agreements, requirements, conditions or other terms or provisions contained in this Agreement following written notice from Lender of such failure, and a ten (10) day opportunity for ToolBox to cure such failure.

7.3 Filing by ToolBox of a voluntary petition in bankruptcy seeking reorganization, arrangement or readjustment of debts, or any other relief under the Bankruptcy Code as amended or under any other insolvency act or law, state or federal, now or hereafter existing.

7.4 Filing of an involuntary petition against ToolBox in bankruptcy seeking reorganization, arrangement or readjustment of debts, or any other relief under the Bankruptcy Code as amended, or under any other insolvency act or law, state or federal, now or hereafter existing, and the continuance thereof for one hundred twenty (120) calendar days un-dismissed, un-bonded, or un-discharged.

8. **Representations and Warranties of the Lender.** In connection with the transactions contemplated by this Agreement, Lender hereby represents and warrants to ToolBox as follows:

8.1 **Authorization.** Lender has full power and authority (and, if such Lender is an individual, the capacity) to enter into this Agreement and to perform all obligations required to be performed by it hereunder. This Agreement, when executed and delivered by Lender, will constitute Lender's valid and legally binding obligation, enforceable in accordance with its terms, except (a) as limited by applicable bankruptcy, insolvency, reorganization, moratorium, fraudulent conveyance and any other laws of general application affecting enforcement of creditors' rights generally, and (b) as limited by laws relating to the availability of specific performance, injunctive relief or other equitable remedies.

8.2 **Purchase Entirely for Own Account.** Lender acknowledges that this Agreement is made with Lender in reliance upon Lender's representation to ToolBox, which

such Lender confirms by executing this Agreement, that this Agreement and any common stock issuable upon conversion hereof (collectively, the “**Securities**”) will be acquired for investment for Lender's own account, not as a nominee or agent (unless otherwise specified on Lender's signature page hereto), and not with a view to the resale or distribution of any part thereof, and that Lender has no present intention of selling, granting any participation in, or otherwise distributing the same. By executing this Agreement, Lender further represents that Lender does not have any contract, undertaking, agreement or arrangement with any person to sell, transfer or grant participation to such person or to any third person, with respect to the Securities. If other than an individual, Lender also represents it has not been organized solely for the purpose of acquiring the Securities.

8.3 Disclosure of Information; Non-Reliance. Lender acknowledges that it has received all the information it considers necessary or appropriate to enable it to make an informed decision concerning an investment in the Securities. Lender further represents that it has had an opportunity to ask questions and receive answers from ToolBox regarding the terms and conditions of the offering of the Securities. Lender confirms that ToolBox has not given any guarantee or representation as to the potential success, return, effect or benefit (either legal, regulatory, tax, financial, accounting or otherwise) of an investment in the Securities. In deciding to purchase the Securities, Lender is not relying on the advice or recommendations of ToolBox and Lender has made its own independent decision that the investment in the Securities is suitable and appropriate for Lender. Lender understands that no federal or state agency has passed upon the merits or risks of an investment in the Securities or made any finding or determination concerning the fairness or advisability of this investment.

8.4 Investment Experience. Lender is an investor in securities of companies in the development stage and acknowledges that it is able to fend for itself, can bear the economic risk of its investment and has such knowledge and experience in financial or business matters that it is capable of evaluating the merits and risks of the investment in the Securities.

8.5 Accredited Investor. Lender is an “accredited investor” within the meaning of Rule 501 of Regulation D promulgated under the Act. Lender agrees to furnish any additional information requested by ToolBox to assure compliance with applicable U.S. federal and state securities laws in connection with the purchase and sale of the Securities.

8.6 Restricted Securities. Lender understands that the Securities have not been, and will not be, registered under the Act or any state securities laws, by reason of specific exemptions under the provisions thereof which depend upon, among other things, the bona fide nature of the investment intent and the accuracy of Lender's representations as expressed herein. Lender understands that the Securities are “restricted securities” under U.S. federal and applicable state securities laws and that, pursuant to these laws, Lender must hold the Securities indefinitely unless they are registered with the Securities and Exchange Commission (“**SEC**”) and registered or qualified by state authorities, or an exemption from such registration and qualification requirements is available. Lender acknowledges that ToolBox has no obligation to register or qualify the Securities for resale and further acknowledges that, if an exemption from registration or qualification is available, it may be conditioned on various requirements including, but not limited to, the time and manner of sale, the holding period for the Securities,

and on requirements relating to ToolBox which are outside of Lender's control, and which ToolBox is under no obligation, and may not be able, to satisfy.

8.7 No Public Market. Lender understands that no public market now exists for the Securities and that ToolBox has made no assurances that a public market will ever exist for the Securities.

8.8 No General Solicitation. Lender, and its officers, directors, employees, agents, stockholders or partners have not either directly or indirectly, including through a broker or finder solicited offers for or offered or sold the Securities by means of any form of general solicitation or general advertising within the meaning of Rule 502 of Regulation D under the Act or in any manner involving a public offering within the meaning of Section 4(a)(2) of the Act. Lender acknowledges that neither ToolBox nor any other person offered to sell the Securities to it by means of any form of general solicitation or advertising within the meaning of Rule 502 of Regulation D under the Act or in any manner involving a public offering within the meaning of Section 4(a)(2) of the Act.

8.9 Residence. If the Lender is an individual, Lender resides in the state or province identified in the address shown on Lender's signature page hereto. If the Lender is a partnership, corporation, limited liability company or other entity, Lender's principal place of business is located in the state or province identified in the address shown on Lender's signature page hereto.

8.10 Foreign Investors. If a Lender is not a United States person (as defined by Section 7701(a)(30) of the Internal Revenue Code of 1986, as amended), such Lender hereby represents that it has satisfied itself as to the full observance of the laws of its jurisdiction in connection with any invitation to subscribe for the Securities or any use of this Agreement, including (a) the legal requirements within its jurisdiction for the purchase of the Securities; (b) any foreign exchange restrictions applicable to such purchase; (c) any governmental or other consents that may need to be obtained; and (d) the income tax and other tax consequences, if any, that may be relevant to the purchase, holding, conversion, redemption, sale, or transfer of the Securities. Each such Lender's subscription and payment for and continued beneficial ownership of the Securities will not violate any applicable securities or other laws of such Lender's jurisdiction. Each such Lender acknowledges that ToolBox has taken no action in foreign jurisdictions with respect to the Securities.

8.11 No "Bad Actor" Disqualification. Lender represents and warrants that neither (A) the Lender nor (B) any entity that controls the Lender or is under the control of, or under common control with, the Lender, is subject to any of the "bad actor" disqualifications described in Rule 506(d)(1)(i) through (viii), as modified by Rules 506(d)(2) and (d)(3), under the Act ("**Disqualification Events**"), except for Disqualification Events covered by Rule 506(d)(2)(ii) or (iii) or (d)(3) under the Act and disclosed in writing in reasonable detail to ToolBox. Lender represents that Lender has exercised reasonable care to determine the accuracy of the representation made by Lender in this paragraph and agrees to notify ToolBox if Lender becomes aware of any fact that makes the representation given by Lender hereunder inaccurate.

9. Remedies. If an Event of Default occurs hereunder and ToolBox exercises the Conversion Option and issues ToolBox common shares to Lender in satisfaction of the Loan Amount and any accrued but unpaid interest thereon, the Lender agrees to waive all rights to exercise any and all rights and remedies available to Lender under any applicable law. If an Event of Default occurs hereunder, ToolBox does not exercise the Conversion Option, and fails to pay the Outstanding Balance by the Mandatory Conversion Date, the exclusive remedy of the Lender shall be to receive ToolBox common shares in satisfaction of the Outstanding Balance and the Lender agrees to waive all rights to exercise any and all rights and remedies available to Lender under any applicable law.

10. Assignment. Neither Lender nor ToolBox may assign its rights and obligations hereunder without the written consent of the other, provided, however, that Lender may assign its rights and obligations hereunder to a business entity owned and controlled by Lender in preparation for exercising the Conversion Option for purposes of holding Lender's equity in ToolBox through a holding company. Subject to the foregoing, this Agreement shall be binding upon, and shall take effect to the benefit of the parties' respective successors and assigns.

11. Costs of Collection. ToolBox agrees to pay all of Lender's reasonable costs of collection when incurred and all other costs incurred by Lender hereof in exercising or preserving any rights or remedies in connection with the enforcement of this Agreement or following an Event of Default, including but not limited to Lender's reasonable attorneys' fees.

12. Governing Law, Exclusive Jurisdiction and Venue and Waiver of Jury Trial. This Agreement shall be governed by and construed in accordance with the laws of the State of Wyoming, without regard to conflict of law principles thereof. All claims, disputes, and controversies arising out of or in relation to the performance, interpretation, application or enforcement of this Agreement, including but not limited to any breach thereof, shall be referred to mediation administered by the American Arbitration Association under its Commercial Mediation Procedures, which mediation shall be held in Orange County, California, before, and as a condition precedent to, the initiation of any adjudicative action or proceeding. The exclusive jurisdiction and venue for all proceedings arising out of or in any way related to this Agreement shall be in the state or federal courts sitting in Orange County, California. **The Parties waive their right to a jury trial in any proceedings arising out of or in any way related to this Agreement.**

13. Entire Agreement. This Agreement represents the entire understanding and agreement of the parties with respect to the subject matter hereof, and may not be amended, waived, modified or terminated without the express written consent of all parties hereto.

*[Remainder of page intentionally left blank; signature page to follow]*

IN WITNESS WHEREOF, the parties have entered into this Agreement to be effective as of the Issue Date.

**TOOLBOX:**

TOOLBOX OS, INC., a Wyoming  
corporation

By: \_\_\_\_\_  
Gaydon Leavitt, Chief Executive Officer

**LENDER:**

*If an Individual:*

\_\_\_\_\_  
Sign

\_\_\_\_\_  
Print

*If an Entity:*

\_\_\_\_\_  
Name of Entity

By: \_\_\_\_\_

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

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



### **LENDER's RECEIVING BANK INFORMATION**

Please provide us with the bank information of the bank you'd prefer to have your quarterly interest payments and final principal payback payment deposited.

Bank:

Beneficiary:

Routing Number:

Account Number:

Bank Address:

Beneficiary Address: