

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): **June 23, 2023**

SAFE & GREEN HOLDINGS CORP.
(Exact Name of Registrant as Specified in its Charter)

Delaware

(State or Other Jurisdiction
of Incorporation)

001-38037

(Commission File Number)

95-4463937

(I.R.S. Employer
Identification Number)

**990 Biscayne Blvd.
#501, Office 12
Miami, FL 33132**

(Address of Principal Executive Offices, Zip Code)

(Former name or former address, if changed since last report.)

Registrant's telephone number, including area code: 646-240-4235

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, par value \$0.01	SGBX	The Nasdaq Stock Market LLC

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.

On June 23 2023, Safe and Green Development Corporation (“SG DevCo”), a wholly owned subsidiary of Safe & Green Holdings Corp. (the “Company”), entered into a Loan Agreement (the “BCV Loan Agreement”) with a Luxembourg-based specialized investment fund, BCV S&G DevCorp (“BCV S&G”), for up to \$2,000,000 in proceeds, of which it has raised \$1,250,000 to date. The Loan Agreement provides that the loan provided thereunder will bear interest at 14% per annum and mature on December 1, 2024. The loan may be repaid by SG DevCo at any anytime following the twelve-month anniversary of its issue date. The loan is secured by 1,999,999 shares of SG DevCo’s common stock (the “Pledged Shares”), which were pledged by the Company pursuant to an escrow agreement (the “Escrow Agreement”) with American Stock Transfer & Trust Company, LLC, SG DevCo’s transfer agent, and which represent 19.99% of SG DevCo’s outstanding shares. The fees associated with the issuance include \$70,000 paid to BCV S&G for the creation of the BCV Loan Agreement and \$27,500 payable to BCV S&G per annum for maintaining the BCV Loan Agreement. Additionally, \$37,500 in broker fees has been paid to Bridgeline Capital Partners S.A. on the principal amount raised of \$1,250,000 raised to date. The BCV Loan Agreement further provides that if SG DevCo’s shares of common stock are not listed on The Nasdaq Stock Market on before August 30, 2023 or if following such listing the total market value of the Pledged Shares falls below twice the face value of the loan, the loan will be further secured by SG DevCo’s St. Mary’s industrial site, consisting of 29.66 acres and a proposed manufacturing facility in St. Mary’s, Georgia.

The foregoing descriptions of the BCV Loan Agreement and Escrow Agreement are qualified in their entirety by reference to the full text of the BCV Loan Agreement and Escrow Agreement, copies of which are attached hereto as Exhibits 10.1 and 10.2, respectively, and incorporated herein in their entirety by reference.

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

The information set forth under Item 1.01 above of this Current Report on Form 8-K is incorporated by reference in this Item 2.03.

Item 9.01 Financial Statements and Exhibits.**(d) Exhibits**

The following exhibits are furnished with this Current Report on Form 8-K:

Exhibit Number	Exhibit Description
10.1	<u>Loan Agreement, dated as of June 16, 2023, between Registrant and BCV S&G DevCorp.</u>
10.2	<u>Escrow Agreement, dated as of June 21, 2023, among Registrant, Bridgeline Capital Partners S.A., acting on behalf BCV S&G DevCorp, and American Stock Transfer & Trust Company, LLC, as Escrow Agent</u>
104	Cover Page Interactive Data File (the cover page XBRL tags are embedded within in the inline XBRL document)

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, as amended, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

SAFE & GREEN HOLDINGS CORP.

Dated: June 29, 2023

By: /s/ Paul Galvin

Name: Paul Galvin

Title: Chairman and Chief Executive Officer



LOAN AGREEMENT

BRIDGELINE CAPITAL VENTURES

Securitisation Fund

Organised Under the Laws of Luxembourg

Compartment: BCV

RCS: K2157

Legal Entity Identifier LEI (Securitisation Fund): 549300S93SM1WYXIJ424

DATED: as of 16th June 2023

by and between

Safe and Green Development Corporation

Trust Center, 1209 Orange Street, City of Wilmington, County of Newcastle 19801
USA
EIN identity code no **87-1375590**

(The Borrower)

AND

Bridgeline Capital Ventures

2, Place de Strasbourg, L-2562 Luxembourg

Registered with the Luxembourg trade and companies register (Registre de Commerce et des Sociétés, Luxembourg), RCS number K2157. Acting on behalf of its compartment BCV S&G DevCorp and represented by Bridgeline Capital Partners a Luxembourg Société anonyme, having its registered office at registered 2, Place de Strasbourg, 2562 Luxembourg, and registered with the RCS under the number B259246, acting in its capacity of management company (the “**Management Company**”).

(The Issuer)

Bridgeline Capital Partners S.A.
Registered office at 2, place de Strasbourg, 2562 Luxembourg

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Whereas

- A. The Issuer is an unregulated securitisation fund (*fonds de titrisation*) governed by the laws of the Grand Duchy of Luxembourg, subject to the Luxembourg act dated 22 March 2004 on securitisation, as amended (the Securitisation Act 2004), and registered with the Luxembourg trade and companies register (Registre de Commerce et des Sociétés, Luxembourg) under RCS number K2157. Acting on behalf of its compartment BCV S&G DevCorp (the “**Compartment**”), represented by the Management Company, to grant loans financed by the issuance of notes referencing such loans.
- B. The Issuer intends to issue via the Compartment debt securities under a notes programme, whose the terms and conditions are detailed in a private placement memorandum, the (“**Issuance**”).
- C. The Borrower is a company active in modular real estate development area incorporated under the Corporation Law of the State of Delaware, USA, with its registered office at Corporation Trust Center, 1209 Orange Street, City of Wilmington, County of Newcastle 19801.
- D. The Issuer intends to provide the Borrower with a loan, subject to the terms and conditions set forth in this loan agreement.

Now, therefore, the parties hereto agree as follows:

Definitions

Capitalized terms used in this Agreement have the meanings assigned to them here below.

Agreement means this loan agreement.

Alternative Collateral has the meaning ascribed in section “Loan Security”.

Business Day means any day (other than a Saturday or Sunday) on which banks are open for general business at the place of business of the Borrower and in the Grand Duchy of Luxembourg.

Default means an Event of Default or any event or circumstance which would (with the expiry of a grace period, the giving of notice, the making of any determination under this Agreement, lapse of time or any combination of any of the foregoing) be an Event of Default.

Compartment has the meaning ascribed in the recitals.

Denomination(s) means the notes will be issued in such denomination(s) of \$150’000.

Early Repayment Date has the meaning ascribed in the section “Repayment”.

Bridgeline Capital Partners S.A.
Registered office at 2, place de Strasbourg, 2562 Luxembourg

Event of Default has the meaning ascribed in the section “Events of Default”.

Issuance has the meaning ascribed in the recitals.

Loan means the loan made available under this Agreement.

Loan Disbursement Date has the meaning ascribed in section “Disbursement”.

Management Company has the meaning ascribed in the recitals.

Maturity Date has the meaning ascribed in section “Repayment”.

Notes means the credit linked notes issued by the Issuer in the context of the Programme, to grant the Loan.

Party means a party to this Agreement.

Pledged Shares has the meaning ascribed in section “Loan Security”.

Saint Marys Property has the meaning ascribed in section “Loan Security”.

Unpaid Sum means any sum due and payable but unpaid by the Borrower under this Agreement.

Loan

Subject to the terms and conditions of this Agreement, the Issuer makes available to the Borrower a loan in the aggregate amount of USD 1'450'000 (one million four hundred and fifty US dollars), (the “**Loan**”).

Purpose

3 General Description of Borrower’s Business

The Borrower is a real estate developer which has been and intends on continuing to engage primarily in the acquisition, development, management, sale, and leasing of green single or multi-family projects nationally. They plan to construct many of the developments using modular structures constructed by SG Holdings. In addition to these development projects, they intend, subject to their ability to raise sufficient capital, to build strategically placed manufacturing facilities. They expect to begin to break ground on several projects in 2023.

The Borrower intends to list on the Nasdaq stock exchange before the end of June 2023 under the ticker SGD.

4 Specific Use of Loan

The Parties agree that the Loan shall be used by the Borrower to finance its real estate projects.

The Issuer and its associated parties shall have no responsibility with respect to the use of the Loan by the Borrower.

Bridgeline Capital Partners S.A.

Registered office at 2, place de Strasbourg, 2562 Luxembourg

Conditions Precedent

The Issuer will only be obliged to make the Loan available to the Borrower if on the Loan Disbursement Date (as defined below):

- I. no Default is continuing or would result from the proposed Loan,
- II. the representations set out in clause 0 are correct,
- III. the Issuer has received all the documents and other evidence listed in Annex 1 (Conditions precedent) in form and substance satisfactory to it and
- IV. the Note is successfully issued and placed with investors.

Disbursement

- a) The Issuer shall disburse the net Loan (i.e. net of any fees due and payable by the Borrower under the Note Fee Schedule (as provided by the Annex 3) by payment upon satisfaction of the conditions precedent in accordance with clause 0 on 23.06.2023 (the **Loan Disbursement Date**), to the following bank account:
 - Beneficiary / Account Holder: Safe and Green Development Corporation
 - Name & Address of Bank: City National Bank of Florida, 25 W Flagler Street, Miami FL 33130
 - SWIFT: CNBFUS3M
 - IBAN: 30000509383
 - Currency: USD
 - Further Payment Details / Reference: N/A
- b) If on the Loan Disbursement Date, the Issuer has not received funds under the Notes in the net amount (i.e. net of any fees due and payable by the Borrower under the Note Fee Schedule) equal to the Loan, the Issuer shall disburse the Loan in accordance with paragraph (a) above as soon as reasonable practicable upon receipt of the respective funds under the Notes or as otherwise agreed between the Parties.

Repayment

5 Repayment on the Maturity Date

- a) The Borrower shall repay the Loan as well as any other Unpaid Sum without further notice on 01.12.2024 (the **Maturity Date**).
- b) If the Maturity Date does not fall on a Business Day, the payment shall be made on the preceding Business Day.

- c) All payments under this Agreement shall first be applied towards payment of any reasonable and necessary enforcement costs incurred by the Issuer, then towards payment of accrued interest and finally towards payment of the Loan.

OR

6 Early Repayment

- a) The early repayment date may not be earlier than 12 (twelve) months following the issue date of the Notes ("**Early Repayment Date**").
- b) The Issuer shall reserve the right to repay the full amount of the Loan then outstanding as of the Early Repayment Date, including interest accrued thereon every six months, by giving written notice of 30 (thirty) days to the Issuer preceding the Early Repayment Date.
- c) Any Loan repaid shall first be applied towards payment of any reasonable and necessary enforcement costs incurred by the Issuer, then towards payment of accrued interest, and finally towards payment of the Loan.
- d) Any Loan repaid shall no longer be available to the Borrower as a loan under the terms of this Agreement.

No set-off by Borrower

- 7 All payments to be made by the Borrower under this Agreement shall be made without set-off and the Borrower may not set-off any obligation due from the Issuer against an obligation owed by the Borrower.

Interest

8 Calculation of Interest

- a) Interest shall be payable on any outstanding notes at a fixed rate of **14% per annum** from the date on which the notes are issued, payable on a semi-annual basis.
- b) Interest shall be calculated on a 30/360-basis.

9 Payment of Interest

- a) The Borrower shall pay accrued interest on the outstanding Loan without notice on a semi-annual basis. If the due date for such an interest payment does not fall on a Business Day, the payment shall be made on the preceding Business Day.

Interest Payment Date(s)
01.12.2023
01.06.2024
01.12.2024

- b) Upon the occurrence of an Event of Default, the Borrower undertakes to pay interest on the outstanding Loan and any Unpaid Sum at the interest rate pursuant to clause 8. (a), plus 200 basis points p.a. calculated in accordance with clause 8. (b).

Loan Security

10 Escrow

The Parties agree that the Loan and the interest shall be secured by shares of the Borrower held in escrow with American Stock Transfer & Trust Company, LLC, a New York limited liability trust company, with principal offices located at 6201 15th Avenue, Brooklyn, New York, 11219 (the “**Escrow Agent**”) under the name of the issuer (the “**Escrow**”).

In the context of the Escrow, the Borrower shall deposit in the escrow account held by the Escrow Agent a number of shares corresponding to 19.9% (nineteen-point nine percent) of its share capital in the escrow account under the name of the Issuer (the “**Pledged Shares**”).

The Borrower commits to organize the Escrow by a separate agreement. This escrow agreement shall be communicated to the Issuer upon request of the latter.

11 Alternative Collateral

The Parties agree that if the Borrower is not able to be listed on the Nasdaq stock exchange before the 30th August 2023 under the ticker SGD, the Loan will be secured by a collateral on the 29.66 acres of underlying land and entitlements of a proposed manufacturing facility, located along Douglas Drive, in Saint Marys, GA 31558 (United States of America), whose the features are described in annex 2 of the Agreement, (“**Saint Marys Property**”), (the “**Alternative Collateral**”).

The Parties agree that after the listing of the Borrower on the Nasdaq if the total market value of the Pledged shares held in the Escrow falls below twice the value of the Loan based on the last traded price in a recognized market, the Issuer shall receive the Alternative Collateral.

The Borrower guarantees that the Saint Marys Property is free of any encumbrance, liens or claims.

Therefore, the Parties Agree that the Alternative Collateral granted to the Issuer shall be a first rank mortgage.

For avoidance of any doubt, in this, case, the Parties agree the Alternative Collateral shall replace the Escrow to secure the Loan.

The Parties agree that the Issuer shall receive the Alternative Collateral additionally to the Pledged Shares, in case of Event of Default, if the sale of the Pledge Shares does not provide enough liquidity to reimburse the Loan.

For avoidance of any doubt, the documentation relating to the Alternative Collateral shall be communicated to the Issuer upon request of the latter.

Taxes

Payments by the Borrower shall be made without any deduction of any taxes, penalties, duties, or governmental charges of any kind, present or future (the **Taxes**), except to the extent that the Borrower is required by law to withhold or deduct any Taxes.

If the Borrower is required by law to deduct any Taxes from any amounts payable or paid by the Borrower pursuant to or under this Agreement, the Borrower shall pay such additional amounts as may be necessary to ensure that the Issuer receives a net amount equal to the full amount which it would have received, had payment not be made subject to the Taxes.

Representations (Clause 0)

The Borrower makes the representations and warranties set out in this clause 0 to the Issuer at the times specified.

12 Status

- a) It is a Delaware Company with EIN identity code no 87-1375590 duly incorporated and validly existing under the laws of its jurisdiction of incorporation.
- b) It has the power to own its assets and carry on its business as it is being conducted.

13 Power and Authority

It has the power to enter into, perform, and deliver, and has taken all necessary action to authorize its entry into and performance of, this Agreement and the transactions contemplated by this Agreement.

14 Binding Obligations

- a) The obligations expressed to be assumed by it under this Agreement are legal, valid, binding, and enforceable obligations.
- b) Without limiting the generality of the foregoing, the Security Agreement creates the security interests which it purports to create, and this security interest is valid and effective.

15 Non-conflict with other Obligations

The entry into, and performance by it of, and the transactions contemplated by, this Agreement do not and will not conflict with:

- a) any law or regulation applicable to it;
- b) its constitutional documents; or
- c) any agreement or financial instrument binding upon it or its assets.

16 Choice of law

The choice of Luxembourg law as the governing law of this Agreement will be recognized and enforced in its jurisdiction of incorporation.

Any judgment obtained in Luxembourg in relation to this Agreement will be recognized and enforced in its jurisdiction of incorporation.

17 Insolvency

No corporate action, legal proceeding or other procedure or step described in clause 27 (Insolvency Proceedings) has been taken or threatened in relation to it; and none of the circumstances described in clause 26 (Insolvency) applies to it.

18 No misleading Information

Any information provided by it (including, for the avoidance of doubt, information transmitted by e-mail or similar means) to the Issuer was true, accurate and not misleading in all relevant aspects as at the date it was provided or as at the date (if any) at which it is stated.

19 Times when Representations made.

All the representations and warranties in Clause 0 are made by the Borrower on the date of this Agreement and the date of disbursement in accordance with clause Disbursement, and on any interest payment date.

Information Undertakings

The undertakings in this clause remain in force from the date of this Agreement for so long as any amount is outstanding under the Agreement.

20 Financial and other Information

The Borrower shall supply to the Issuer if requested on a timely basis, but in any case, no later than six months after the end of each financial year, annual financial statements of the Borrower (statutory), prepared in accordance with the applicable accounting standards.

21 Information on Default

The Borrower shall notify the Issuer of any Default (and the steps, if any, being taken to remedy it) promptly upon becoming aware of its occurrence.

General Undertakings

The undertakings in this Clause 0 remain in force from the date of this Agreement for so long as any amount is outstanding under this Agreement.

22 Negative Pledge

The Borrower shall not grant, create or permit to subsist any security interest, including personal securities such as any surety and guarantee, over any of its present or future assets or revenues, except for any security interests (a) arising by law (but, in any case, not as a result of any default or omission) or resulting from a bank's general business terms and conditions, (b) granted in favor of the Issuer or (c) granted in the ordinary course of business.

23 Change of Business

The Borrower shall procure that no substantial change is made to the general nature of its business from that carried on at the date of this Agreement.

Events of Default

Each of the events or circumstances set out in this clause is an Event of Default.

24 Non-payment

The Borrower does not pay on the due date any amount payable pursuant to this Agreement unless its failure to pay is caused by administrative or technical reasons and payment is made within 5 (five) Business Days of its due date.

25 Other Obligations

- a) The Borrower does not comply with any provision of this Agreement and especially the section “Loan Security” and that referred to in Clause 24 (Non-payment).
- b) No Event of Default under the foregoing paragraph will occur if failure to comply is capable of remedy and is remedied within 5 (five) Business Days of the earlier of (i) of the Issuer giving notice to the Borrower and (ii) the Borrower becoming aware of the failure to comply.

26 Misrepresentation

Any representation made or deemed to be made by the Borrower in this Agreement is or proves to have been incorrect when made or deemed to be made.

27 Cessation of Business

The Borrower suspends or ceases to carry on (or threatens or takes any action to suspend or cease to carry on) all or a material part of its business.

28 Security

An event or series of events has occurred which, taking into account all the circumstances and in the reasonable opinion of the Issuer, has or is likely to have a material adverse effect on the validity, enforceability, effectiveness or ranking of the securities to be granted under the section Loan Security.

29 Insolvency

- a) The Borrower becomes bankrupt or insolvent or is unable or admits inability to pay its debts as they fall due, suspends making payments on any of its debts, applies for insolvency proceedings, winding-up, its assets are expropriated, security is realized or similar proceedings take place, or, by reason of actual or anticipated financial difficulties, commences negotiations with one or more of its creditors with a view to rescheduling any of its indebtedness or any such action is threatened.
- b) The Borrower is over-indebted, in each case within the meaning of article 725 CO (or analogous provisions under foreign law).
- c) A moratorium is declared in respect of any indebtedness of the Borrower.

30 Insolvency Proceedings

- a) Any corporate action, legal proceeding or other procedure or step (including the opening insolvency proceedings and filings for debt or protection) is taken in relation to:
 - (i) the suspension of payments, a moratorium of any indebtedness, winding-up, dissolution, administration or reorganization (by way of voluntary arrangement, scheme of arrangement or otherwise) of the Borrower or any such action is threatened;
 - (ii) a composition, assignment or arrangement with any creditor of the Borrower;
 - (iii) the appointment of a liquidator, receiver, administrative receiver, administrator, compulsory manager or other similar officer in respect of the Borrower or any of its assets;
 - (iv) enforcement of any security over any assets of the Borrower;
 - (v) or any analogous procedure or step is taken in any jurisdiction.
- b) Paragraph (a) shall not apply to any debt enforcement proceeding which is frivolous or vexatious and which is discharged, stayed or dismissed within the applicable time frame under applicable law, but in any event within 20 (twenty) days.

31 Cross Default

Any financial indebtedness of the Borrower is not paid when due or is declared to be or otherwise becomes due and payable prior to its specified maturity as a result of an event of default.

32 Acceleration

On and at any time after the occurrence of an Event of Default, the Issuer may by notice to the Borrower

- a) declare that the Loan and any Unpaid Sum, together with accrued interest, and all other amounts accrued or out- standing under this Agreement be immediately due and payable, at which time they shall become immediately due and payable; and
- b) exercise any or all of its rights, remedies, powers or discretions under this Agreement.

General Provisions

33 Confidentiality

- a) The Parties undertake for themselves, their employees, contractors, agents and consultants to (i) maintain strict confidentiality with respect to the provisions contained in this Agreement and all information, data and documentation that is not publicly known and that is disclosed or made available under or in relation to this Agreement (Confidential Information) of the other Party, (ii) not make Confidential Information available to third parties in whole or in parts or permit third parties to access Confidential Information, unless and to the extent that this Agreement expressly permits so or this is required by a legal obligation or requested by a competent court, tribunal or authority, and (iii) not use Confidential Information for any other purpose than the fulfilment of this Agreement.
- b) The Issuer may disclose Confidential Information to investors and potential investors in, and agents and others acting in connection with, the Notes and use Confidential Information in connection with the issuance of the Notes.

34 Payment mechanics

- a) On each date on which the Borrower is required to make a payment under this Agreement it shall make the same available to the Issuer (unless a contrary indication appears in this Agreement) for value on the due date.
- b) Any payment by the Borrower to the Issuer shall be made to the following bank account:
- Beneficiary / Account Holder: Bridgeline Capital Ventures
 - Name & Address of Custodian Bank: Kaiser Partner Privatbank AG, Herrengasse 23, 9490 Vaduz, Liechtenstein
 - SWIFT: SERBLI22XXX
 - IBAN: LI66 0880 6025 6803 2200 4
 - Currency: USD
 - Further Payment Details / Reference: BCV Safe & Green Development Corp. Dez. 2024 USD

35 Notices

Unless otherwise specified in this Agreement, all notices, or other communications to be given under or in connection with this Agreement shall be in writing and delivered by hand or sent by registered, certified or express mail (return receipt requested), courier or email:

- **if to the Issuer Address:**

Bridgeline Capital Ventures, BCV S&G DevCorp
2, Place de Strasbourg
2562 Luxembourg

Email:

Attention: The Directors

- with a copy to: Bridgeline Capital Partners S.A.

Address: 2, Place de Strasbourg, 2562 Luxembourg

Email:

Attention: George Pal / Hervé Croset

- **if to Borrower:**

Address: Safe & Green Development Corp
990 Biscayne Blvd, Suite 501, Office 12, Miami, FL 33132

Attention: Nicolai Brune

Email:

Notices delivered by hand shall be deemed delivered when actually delivered. Notices given by courier shall be deemed delivered on the date delivery is promised by the courier. Notices given by electronic transmission shall be deemed given on the date of receipt (if a business day), otherwise, the first business day following.

36 First Point of Contact

In case of any issues with complying with any of its payment obligations, the Borrower shall contact one of the following persons:

Rainer Nachbauer / Elodie Hasler
Kaiser Partners Privatebank AG

37 Amendment and Waiver

This Agreement (including this clause 36) may only be modified or amended by a document signed by all Parties. Any provision contained in this Agreement may only be waived by a document signed by the Party waiving such provision.

38 Severability

Should any part or provision of this Agreement be, be held, or become illegal, invalid or unenforceable in any respect by any competent arbitral tribunal, court, governmental or administrative authority having jurisdiction, the legality, validity or enforceability of, the remaining provisions of this Agreement shall nonetheless remain valid and shall not in any way be affected or impaired. In such case, the Parties shall replace the illegal, invalid or unenforceable provision with such valid and enforceable provision which best reflects the commercial and legal purpose of the replaced provision and shall execute all agreements and documents required in this connection.

39 No Assignment

The Borrower shall not assign or transfer this Agreement or any rights or obligations hereunder, including, but not limited to, by way of a business transfer or demerger, to any third party without the prior written consent of the Issuer.

The Issuer may assign and transfer this Agreement or any rights and obligations hereunder to any third party at any time.

Applicable Law and Place of Jurisdiction

40 Governing Law

This Agreement shall be governed by and construed in accordance with the substantive laws of the Grand Duchy of Luxembourg.

41 Jurisdiction

The exclusive place of jurisdiction for any dispute, claim or controversy arising under, out of or in connection with or related to this Agreement (or subsequent amendments thereof), including, without limitation, disputes, claims or controversies regarding its existence, validity, interpretation, performance, breach, or termination, shall be the city of Luxembourg, Grand Duchy of Luxembourg.

The Commercial Court of Luxembourg, Grand Duchy of Luxembourg shall have exclusive subject matter jurisdiction.

The Issuer shall have the right to institute legal proceedings against the Borrower before any other competent court or authority, in which case Luxembourg law shall nevertheless be applicable.

[Signatures on next page]

Executed as of the date written on the cover page to this Agreement.

Bridgeline Capital Ventures on behalf of its Compartment BCV S&G DevCorp Notes

Represented by Bridgeline Capital Partners in its capacity of Management Company

/s/ George Pal

Name: George Pal

Function: Director

/s/ Hervé Croset

Name: Hervé Croset

Function: Director

Safe & Green Development Corporation

/s/ Nicolai Brune

Name: Nicolai Brune

Function: Chief Financial Officer

/s/ David Villarreal

Name: David Villarreal

Function: Chief Executive Officer

Bridgeline Capital Partners S.A.

Registered office at 2, place de Strasbourg, 2562 Luxembourg

Annex 1 – Conditions Precedent

The Borrower must deliver the following documents and other evidence (where applicable) in form and substance satisfactory to the Issuer.

- a) A copy of an excerpt from the **commercial register**.
- b) A copy of the **articles of incorporation or the articles of association**.
- c) Evidence of **directors** including their **signatories** (if not contained already in the commercial register).
- d) **Passport copies** of all directors and Unique Beneficial Owners (UBO) that hold more than 25% of share capital.
- e) **Shareholder registry** including the percentage ownerships.
- f) In case the of a majority shareholder being a legal entity or the borrower being part of a group structure, a copy of the **ownership structure chart** up to the UBO(s).
- g) A copy of the latest **audited financial statements**, if applicable.
- h) The **Note Fee Schedule** duly executed by the Borrower.

The Issuer may, in consultation with the Paying Agent and Calculation Agent for the Note, request further corporate and commercial documents where required in the sole discretion of the aforementioned parties.

Should the Borrower assign, on-lend, securitize or otherwise disburse the Loan in part or in whole to any one or more Assignees, the Borrower must provide, in relation to each Assignee, the same set of documents and such other evidence (where applicable) as shall be requested for the Borrower, together with the applicable assignment agreement and such other documents as the Issuer or such aforementioned parties may additionally request.

ANNEX 2: ALTERNATIVE COLLATERAL

The alternative collateral includes the 29.66 acres of underlying land and entitlements of a Proposed Manufacturing Facility, located in Saint Marys, GA, 31558, Camden County, with a total of 120,000 square feet of gross building area, on 1,291,990 square feet of land with Tax Parcel Number 135C-011.

Site Data	
Tax Account Number	148031JJ (Parent Tract)
Physical Address	Douglas Drive
City, State, Zip Code	Saint Marys, GA, 31558
County	Camden County
Legal Description	LOT 10 INDUSTRIAL PARK NO SIT
Land Size	1,291,990 SF
Shape	Rectangular
Topography	Level
Zoning	None
Flood Zone	Unshaded Zone X
Utilities	All Available

ANNEX 3: Note Fee Schedule

PRICING SCHEDULE

All prices are in USD unless stated, and exclude VAT, if applicable

Pricing is based on issuance size of USD 2 million (issuance nominal value)

Issuance Fee	
CLN Compartment Issuance	
Fees paid to the third-party placing agent	3%
Set-Up Costs	
CLN Compartment Issuance	
Incorporation of compartment, drafting of termsheet, securitizing the asset incl. issuance of CH ISIN and quotation in Telekurs, bank account opening, due diligence & KYC.	Minimum USD 70'000.00 (based on USD 2 million nominal value issuance)
Legal opinion (capped at USD 5'000)	
Incl. management fees by the ManCo (1 year, 1.5% on nominal value)	
Introducer fee (2% on nominal value)	
Running Costs	
Audit	
Subject to the underlying asset. Securitization fund umbrella audit, per annum.	
Administration and Governance	
Domiciliation, bookkeeping, general corporate administration, preparation of tax returns, corporate secretary and regulatory services, issuance, transfer, liquidation, per annum.	
Directors	
Local governance by Bridgeline Capital Partners director and an independent director.	
Total running Costs (in USD)	Fees* (per ann.)
For AUM = 2 million	1.37%, or minimum USD 27'500.00

*: Fees may vary slightly around this figure according to audit fee that is subject to the underlying assets.

VAT, out-of-pocket expenses, and additional as-needed services are excluded from this price schedule.

The pricing for the services provided under this engagement is subject to change as most fees are charged

by third-party service providers (i.e. auditor, paying agent, administration provider, legal opinion) beyond the control of Bridgeline Capital Partners. We will provide you with reasonable notice of any changes to the pricing schedule,



ESCROW AGREEMENT

This ESCROW AGREEMENT, dated as of June 21st, 2023 (together with Schedule A hereto, this “Agreement”), is between Safe and Green Development Corporation, (“Issuer”), a Delaware corporation, with principal offices located at 990 Biscayne Blvd, Suite 501, Office 12, Miami, FL 33132 and AMERICAN STOCK TRANSFER & TRUST COMPANY, LLC, a New York limited liability trust company, with principal offices located at 6201 15th Avenue, Brooklyn, New York, 11219 (“Escrow Agent”).

WHEREAS, Issuer has secured a bridge loan (the “Underlying Agreement”) from **Bridgeline Capital Ventures on behalf of its compartment S&G Dev Corp Notes** (the “Investor”), pursuant to which, Issuer shall place the Escrow Assets (as herein defined) in a segregated and restricted escrow account(s) titled in the name of the Escrow Agent as security for the payment of the Loan;

WHEREAS, the Escrow Agent has agreed to accept, hold, and disburse the Escrow Assets deposited with it in accordance with this Agreement; and

WHEREAS, in order to establish the Escrow Account(s) and otherwise to effect the provisions of the Underlying Agreement, the parties hereto have entered into this Agreement.

NOW THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto, for themselves, their successors and assigns, hereby agree as follows:

1. Definitions. The following terms shall have the meanings indicated or referred to below, inclusive of their singular and plural forms, except where the context requires otherwise. Unless the context requires otherwise, all references to “years,” “months,” or “days” shall mean “calendar years,” “calendar months,” and “calendar days.” References in this Agreement to “including” shall mean “including, without limitation,” whether or not so specified. Any term not defined below which is initially capitalized in this Agreement shall have the meaning ascribed to it in this Agreement. Any term used but not defined herein shall have the meaning ascribed to it in the Underlying Agreement, a copy of which has been provided to the Escrow Agent.

“Affiliate” means, with respect to any person, (a) a person which directly or indirectly through one or more intermediaries controls, is controlled by or is under common control with such person, (b) any person of which such person is the beneficial owner of a twenty-five percent (25%) or greater interest, or (c) any person which acquires all or substantially all of the assets of such person. A person is deemed to control another person if such person, directly or indirectly, has the power to direct the management, operations or business of such person. The term “beneficial owner” is to be determined in accordance with Rule 13d-3 of the Securities Exchange Act of 1934, as amended.

“Business Day” shall mean each day that is not a Saturday, Sunday or other day on which banking institutions located in New York are authorized or obligated by law or executive order to close.

“Escrow Assets” shall mean the Escrow Assets set forth on Schedule A hereto and deposited with Escrow Agent pursuant to Section 3 of this Agreement.

“Escrow Period” shall mean the period commencing on the date hereof and ending on the applicable termination date set forth on Schedule A hereto.

“Issuer Representative” shall mean the person(s) so designated on Schedule A hereto or any other person designated in a writing signed and delivered to Escrow Agent in accordance with the notice provisions of this Agreement.

“Written Direction” shall mean a written direction executed by the Issuer Representative and Investor directing the Escrow Agent to disburse all or a portion of the Escrow Assets or to take or refrain from taking an action pursuant to this Agreement.

2. Appointment of and Acceptance by Escrow Agent. Issuer and the Investor hereby appoint the Escrow Agent to serve as escrow agent hereunder. The Escrow Agent hereby accepts such appointment and, upon receipt of the Escrow Assets, in accordance with Section 3 below, agrees to hold, upon receipt, the Escrow Assets in accordance with this Agreement.
3. Deposit of Escrow Assets. Promptly after Closing and in accordance with the terms of the Underlying Agreement, Issuer will cause the transfer of the Escrow Assets in the amount set forth on Schedule A hereto to the Escrow Agent, and the Escrow Agent shall deposit the Escrow Assets in segregated account(s) of the Escrow Agent. To the extent Issuer transfers additional assets to the Escrow Agent’s account as referenced on Schedule A hereto, the Escrow Agent shall amend Schedule A hereto and provide such amended Schedule A to Issuer.
4. Disbursements of Escrow Assets; Unclaimed Assets.
 - (a) The Escrow Agent shall disburse the Escrow Assets from time to time, upon receipt of, and in accordance with a Written Direction, which Issuer and the Investor agree to deliver to the Escrow Agent at any time that any distribution is required to be made from the Escrow Assets pursuant to the terms and conditions of the Underlying Agreement. Such Written Direction shall contain issuance instructions containing name, address, Taxpayer Identification Number, and other pertinent information, in each case to the extent not previously provided to the Escrow Agent. Upon the expiration of the Escrow Period, Escrow Agent shall distribute the Escrow Assets (or the remainder of such Escrow Assets, after any disbursement in connection with any prior Written Direction(s)) to the Issuer. Any and all disbursements under this Section 4 shall be made within five (5) Business Days of Escrow Agent’s receipt of a Written Direction.
 - (b) All disbursements of Escrow Assets shall be subject to the fees, costs, expenses and other amounts due to Escrow Agent hereunder.

5. Suspension of Performance; Disbursement into Court. If, at any time, (i) there shall exist any dispute between Issuer and certain individuals with respect to the holding or disposition of all or any portion of the Escrow Assets or any other obligations of Escrow Agent hereunder, (ii) Escrow Agent is unable to determine, to Escrow Agent's sole satisfaction, the proper disposition of all or any portion of the Escrow Assets or Escrow Agent's proper actions with respect to its obligations hereunder, or (iii) Issuer has not, within thirty (30) days of the furnishing by Escrow Agent of a notice of resignation pursuant to Section 7 hereof, appointed a successor escrow agent to act hereunder (which such successor escrow agent has accepted such appointment), then Escrow Agent may, in its sole discretion, take either or both of the following actions:

- (a) suspend the performance of any of its obligations (including any disbursement obligations) under this Agreement until such dispute or uncertainty shall be resolved to the sole satisfaction of the Escrow Agent or until a successor escrow agent shall have been appointed (as the case may be).
- (b) petition (by means of an interpleader action or any other appropriate method) the United States District Court for the Southern District of the State of New York, or if such court lacks federal subject matter jurisdiction, the Supreme Court of the State of New York within New York County, for instructions with respect to such dispute or uncertainty, and to the extent required or permitted by law, pay into such court, for holding and disposition in accordance with the instructions of such court, all Escrow Assets, after deduction and payment to the Escrow Agent of all fees, costs and expenses (including court costs and expenses and attorneys' fees) or any other amount payable to, incurred by, or expected to be incurred by the Escrow Agent in connection with the performance of its duties and the exercise of its rights hereunder.

The Escrow Agent shall have no liability to Issuer, or to its respective shareholders, partners, or members, officers or directors, employees, Affiliates or any other person with respect to any such suspension of performance or disbursement into court (including any disbursement obligations hereunder), specifically including any liability or claimed liability that may arise, or be alleged to have arisen, out of or as a result of any delay in the disbursement of the Escrow Assets or any delay in or with respect to any other action required or requested of the Escrow Agent, absent willful misconduct or gross negligence by the Escrow Agent.

6. Resignation of Escrow Agent. The Escrow Agent may resign and be discharged from the performance of its duties hereunder at any time by giving thirty (30) days' prior written notice to Issuer and the Investor specifying the date when such resignation shall take effect. Upon any such notice of resignation, Issuer and the Investor shall issue to the Escrow Agent a Written Direction authorizing redelivery of the Escrow Assets to a bank or trust company that has been retained as successor to the Escrow Agent hereunder prior to the effective date of such resignation. The retiring Escrow Agent shall transmit all records pertaining to the Escrow Assets and shall pay all Escrow Assets to the successor escrow agent, after making copies of such records as the retiring Escrow Agent deems advisable and after deduction and payment to the retiring Escrow Agent of all fees, costs and expenses (including court costs and expenses and reasonable outside attorneys' fees) or any other amount payable to, incurred by, or expected to be incurred by the retiring Escrow Agent in connection with the performance of its duties and the exercise of its rights hereunder.

After any retiring Escrow Agent's resignation, the provisions of this Agreement shall inure to its benefit as to any actions taken or omitted to be taken by it while it was Escrow Agent under this Agreement. Any corporation or other entity into which the Escrow Agent may be merged or converted or with which it may be merged or consolidated, or any other entity to which all or a majority of all of the Escrow Agent's escrow business may be transferred by sale of assets or otherwise, shall be the Escrow Agent under this Agreement without further act or consent of any party hereto.

7. Liability of Escrow Agent. The Escrow Agent undertakes to perform only the ministerial duties as are expressly set forth herein and no other duties and obligations (fiduciary or otherwise) shall be implied. The Escrow Agent shall have no duty to enforce any obligation of any other person to make any payment or delivery, or to direct or cause any payment or delivery to be made, or to enforce any obligation of any other person to perform any other act. The Escrow Agent shall have no liability under and no duty to inquire as to the provisions of any agreement (even though such agreement may be referenced in this Agreement) other than this Agreement. In the event of any conflict between the terms and provisions of this Agreement and any other agreement, as to the Escrow Agent, the terms and conditions of this Agreement shall control subject to Section 26 hereof. The Escrow Agent is not a party to the Underlying Agreement, is not bound by any of its terms, and has not undertaken in any way to effectuate, implement or comply with the Underlying Agreement. The Escrow Agent shall not be liable to Issuer or to anyone else for any action taken or omitted by it in good faith except to the extent that a court of competent jurisdiction determines that the Escrow Agent's gross negligence or willful misconduct was the primary cause of any loss to Issuer. The Escrow Agent's sole responsibility shall be for the safekeeping and disbursement of the Escrow Assets in accordance with the terms of this Agreement. The Escrow Agent shall have no implied duties or obligations and shall not be charged with knowledge or notice of any fact or circumstance not specifically set forth herein. The Escrow Agent shall have no duty to solicit any payment which may be due to be paid in Escrow Assets or to confirm or verify the accuracy or correctness of any amounts deposited in accordance with this Agreement. The Escrow Agent may rely conclusively, and shall be protected in acting, upon any notice, instruction (including a Written Direction (such as a wire transfer instruction)), request, order, judgment, certification, opinion or advice of counsel (including counsel chosen by the Escrow Agent), statement, demand or other instrument or document, not only as to its due execution, validity (including the authority of the person signing or presenting the same) and effectiveness, but also as to the truth and accuracy of any information contained therein, which the Escrow Agent shall believe in good faith to be genuine and to have been signed or presented by the person or parties purporting to sign the same. In no event shall the Escrow Agent be liable for incidental, indirect, special, consequential or punitive damages of any kind whatsoever (including lost profits), even if the Escrow Agent has been advised of the likelihood of such loss or damage and regardless of the form of action, absent gross negligence or willful misconduct by the Escrow Agent. The officers, directors, members, partners, trustees, employees, agents, attorneys or other representatives and Affiliates of the Escrow Agent owe no duty or obligation to any party hereunder and shall have no liability to any person by reason of any error of judgment, for any act done or not done, for any mistake of fact or law, or otherwise, absent gross negligence or willful misconduct.

The Escrow Agent shall not be obligated to take any legal or other action or commence any proceeding in connection with the Escrow Assets, any account in which Escrow Assets are deposited, this Agreement or the Underlying Agreement, or to appear in, prosecute or defend any such legal action or proceeding (whether or not it shall have been furnished with acceptable indemnification and advancement). The Escrow Agent may consult legal counsel selected by it in the event of any dispute or question as to the construction of any of the provisions hereof or of any other agreement or of its duties hereunder, or relating to any dispute or question involving any party hereto, and shall incur no liability and shall be fully indemnified from any liability whatsoever in acting in accordance with the written opinion of such counsel. The Issuer shall promptly pay, upon demand, the reasonable fees, costs and expenses of any such counsel. The Escrow Agent shall have no responsibility with respect to the use or application of any the Escrow Assets paid by the Escrow Agent pursuant to the provisions hereof.

The Escrow Agent is authorized, in its sole discretion, to comply with orders issued or process entered by any court with respect to the Escrow Assets, without determination by the Escrow Agent of such court's jurisdiction in the matter. If any portion of the Escrow Assets is at any time attached, garnished or levied upon under any court order, or in case the payment, assignment, transfer, conveyance or delivery of any such property shall be stayed or enjoined by any court order, or in case any order, judgment or decree shall be made or entered by any court affecting such property or any part thereof, then and in any such event, the Escrow Agent is authorized, in its sole discretion, to rely upon and comply with any such order, writ, judgment or decree which it is advised by legal counsel selected by it is binding upon it without the need for appeal or other action; and if the Escrow Agent complies with any such order, writ, judgment or decree, it shall not be liable to any of the parties hereto or to any other person or entity by reason of such compliance even though such order, writ, judgment or decree may be subsequently reversed, modified, annulled, set aside or vacated.

8. Indemnification of Escrow Agent. From and at all times after the date of this Agreement, the Issuer and Investor, jointly and severally, shall, to the fullest extent permitted by law, defend, indemnify and hold harmless the Escrow Agent and each director, officer, member, partner, trustee, employee, attorney, agent and Affiliate of the Escrow Agent (collectively, the "Indemnified Parties") against any and all actions, claims, losses, damages, liabilities, costs, penalties, settlements, judgments and expenses of any kind or nature whatsoever (including costs and expenses and reasonable outside attorneys' fees) incurred by or asserted against any of the Indemnified Parties from and after the date hereof, whether direct, indirect or consequential, as a result of, in connection with, or arising from or in any way relating to any claim, demand, suit, action or proceeding (including any inquiry or investigation) by any person whether threatened or initiated, asserting a claim for any legal or equitable remedy against any person (whether it is an Indemnified Party or not) under any statute or regulation, including any federal or state securities laws, or under any common law or equitable cause or otherwise, arising from or in connection with the negotiation, preparation, execution, performance or failure of performance of this Agreement or any transactions contemplated herein or relating hereto (including tax reporting or withholding or the enforcement of any rights or remedies under or in connection with this Agreement), whether or not any such Indemnified Party is a party to any such action, proceeding, suit or the target of any such inquiry or investigation (without derogation of any other indemnity afforded to the Escrow Agent); *provided, however*, that no Indemnified Party shall have the right to be indemnified hereunder for any liability finally determined by a court of competent jurisdiction, subject to no further appeal, to have resulted from the gross negligence or willful misconduct of any Indemnified Party. Any amounts paid by the Issuer and Investor in respect of this paragraph shall be promptly repaid by the applicable Indemnified Party in the event of any gross negligence or willful misconduct of any Indemnified Party relating to such amounts paid.

9. Fees, Costs and Expenses of Escrow Agent. The Issuer shall compensate the Escrow Agent for its services hereunder in accordance with Schedule A attached hereto and, in addition, shall reimburse the Escrow Agent for all of its reasonable out-of-pocket costs and expenses, including attorneys' fees, travel expenses, telephone and facsimile transmission costs, postage (including express mail and overnight delivery charges), copying charges and the like. The additional provisions and information set forth on Schedule A hereto are hereby incorporated by this reference, and form a part of this Agreement. All of the compensation and reimbursement obligations set forth in this Section 9 shall be payable by the Issuer upon execution of this Agreement and, in the future, upon demand by the Escrow Agent. The Escrow Agent is expressly authorized and directed to, and may, charge against and disburse to itself from the Escrow Assets, from time to time, the amount of any compensation and reimbursement of any costs, fees and expenses set forth on Schedule A hereto which are due and payable hereunder, including any amount to which the Escrow Agent or any other Indemnified Party is entitled to seek indemnification pursuant to Section 8 hereof, or any other amount owing to the Escrow Agent hereunder. The Escrow Agent shall notify Issuer and the Investor of any disbursement from the Escrow Assets to itself or any other Indemnified Party in respect of any compensation or reimbursement hereunder and shall furnish to Issuer and the Investor copies of all related invoices and other statements in advance of any such disbursement.
10. Patriot Act Disclosure; Taxpayer Certification and Reporting.
- (a) Patriot Act Disclosure. Issuer and the Investor acknowledge that a portion of the identifying information set forth on Schedule A hereto is being requested by the Escrow Agent in connection with the USA Patriot Act, Pub.L.107-56 (the "Act"), and agree to provide any additional information requested by the Escrow Agent in connection with the Act or any similar law, rule, regulation, order, or other governmental act to which the Escrow Agent is subject, in a timely manner and consent to the Escrow Agent obtaining from third parties any such identifying information. Issuer and the Investor represent that all identifying information set forth on Schedule A hereto is true and complete on the date hereof and will be true and complete at the time of any disbursement of the Escrow Assets. For a non-individual person such as a charity, a trust, or other legal entity, the Escrow Agent may require documentation to verify formation and existence as a legal entity. The Escrow Agent may also require financial statements, licenses, identification and authorization documentation from any individual claiming authority to represent the entity or other relevant documentation.

- (b) Certification and Tax Reporting. Issuer has provided the Escrow Agent with their respective fully executed Internal Revenue Service (“IRS”) Form W-8, or W-9 and/or other required documentation. Issuer acknowledges that solely for tax purposes, the Escrow Agent does not have any interest in the Escrow Assets or the escrow account(s). All interest or other income earned under this Agreement shall be allocated to Issuer and reported, as and to the extent required by law, by the Escrow Agent to the IRS, or any other taxing authority, on IRS Form 1099 or 1042S (or other appropriate form) as income earned from the Escrow Funds by Issuer whether or not said income has been distributed during such year. Issuer shall timely file all tax returns and pay all taxes due with respect to any income earned or losses generated with respect to the Escrow Funds. The Escrow Agent shall not have any liability for the payment of taxes with respect to the Escrow Funds, and Issuer shall indemnify and hold Escrow Agent harmless from and against all such taxes. The Escrow Agent shall withhold any taxes it deems appropriate in the absence of proper tax documentation or as required by law, and shall remit such taxes to the appropriate authorities. Issuer hereby represent and warrant to Escrow Agent that (i) there is no sale or transfer of a United States Real Property Interest as defined under Section 897(c) of the Internal Revenue Code of 1986, as amended, in the underlying transaction giving rise to this Agreement and (ii) such underlying transaction does not constitute an installment sale requiring any tax reporting or withholding of imputed interest or original issue discount to the IRS or other taxing authority.
11. Consent to Jurisdiction and Venue. In the event that any party hereto commences a lawsuit or other proceeding relating to or arising from this Agreement, the parties hereto agree that the United States District Court for the Southern District of the State of New York shall have the sole and exclusive jurisdiction over any such proceeding. If such court lacks federal subject matter jurisdiction, the parties hereto agree that the Supreme Court of the State of New York within New York County shall have sole and exclusive jurisdiction. Any final judgment shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by law. Any of these courts shall be proper venue for any such lawsuit or judicial proceeding and the parties hereto waive any objection to such venue and irrevocably and unconditionally waive and agree not to plead or claim in any such court that any such suit or proceeding in any such court has been brought in an inconvenient forum.

The parties hereto consent to and agree to submit to the jurisdiction of any of the courts specified herein and agree to accept service of process to vest personal jurisdiction over them in any of these courts.

Each party hereto irrevocably and unconditionally waives any right to a trial by jury and agrees that any of them may file a copy of this section of this Agreement with any court as written evidence of the knowing, voluntary and bargained-for agreement among the parties hereto irrevocably to waive the right to trial by jury in any litigation related to or arising under this Agreement.

12. Notice. All notices, instructions (pursuant to Written Direction or otherwise), approvals, consents, requests, and other communications hereunder shall be in writing and shall be deemed to have been given (a) when such writing is delivered by hand or overnight delivery service, or (b) upon telephone call-back in accordance with Section 13 below, after being sent by e-mail with PDF attachment from the designated e-mail account(s) of the sending person(s) as designated on Schedule A hereto to the designated e-mail account(s) of the receiving person(s) as designated on Schedule A hereto or (c) three (3) Business Days after being mailed by first class mail (postage prepaid), in each case to the address set forth on Schedule A hereto or to such other address as each party hereto may designate for itself by like notice.
13. Security Procedures. If notices, instructions (pursuant to Written Direction or otherwise), approvals, consents, requests, and other communications, are received by Escrow Agent by e-mail at its e-mail account(s) as designated on Schedule A hereto, Escrow Agent is authorized, but not required, to seek prompt confirmation of such communications by telephone call-back to the sending person or persons' telephone number(s) as designated on Schedule A hereto, and Escrow Agent may rely upon the confirmation of anyone purporting to be the person or persons so designated in that call-back. Any e-mail by PDF attachment executed by more than one person shall be sent by each signatory. The persons and their telephone numbers authorized to receive call-backs as designated in Schedule A hereto may be changed only in a writing actually received and acknowledged by Escrow Agent and delivered in accordance with Section 12 above and, if applicable, this Section 13. If the Escrow Agent is unable to contact any such designated person, the Escrow Agent is hereby authorized (but not required) both to receive written instructions from and seek confirmation of such instructions by telephone call-back to any one or more of Issuer's executive officers (each, an "Executive Officer"), as the case may be, who shall include individuals holding titles of General Counsel, Chief Financial Officer or more senior thereto, as the Escrow Agent may select. Such Executive Officer(s) shall deliver to the Escrow Agent a fully executed incumbency certificate upon the Escrow Agent's request, and the Escrow Agent may rely upon the confirmation of anyone purporting to be any such Executive Officer(s). The parties to this Agreement acknowledge and agree that the security procedures set forth above are commercially reasonable.

The Escrow Agent in any funds transfer may rely solely upon any account numbers or similar identifying numbers provided by the parties hereto to identify (i) a beneficiary, (ii) a beneficiary's bank, or (iii) an intermediary bank. The Escrow Agent may apply any of the Escrow Assets for any payment order it executes using any such identifying number, even where its use may result in a person other than a beneficiary being paid, or the transfer of funds to a bank other than a beneficiary's bank or an intermediary bank designated.

14. Amendment or Waiver. This Agreement may be changed, waived, discharged or terminated only by a writing signed by the parties hereto. No delay or omission by any party hereto in exercising any right with respect hereto shall operate as a waiver. A waiver on any one occasion shall not be construed as a bar to, or waiver of, any right or remedy on any future occasion.
15. Severability. To the extent any provision of this Agreement is 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 provision or the remaining provisions of this Agreement.
16. Governing Law. This Agreement shall be construed and interpreted in accordance with the internal laws of the State of New York without giving effect to the conflict of laws principles thereof.
17. Entire Agreement. This Agreement constitutes the entire agreement between the parties hereto relating to the holding, investment and disbursement of the Escrow Assets and sets forth in their entirety the obligations and duties of the Escrow Agent with respect to the Escrow Assets.
18. Binding Effect. All of the terms of this Agreement, as amended from time to time, shall be binding upon, inure to the benefit of and be enforceable by the respective successors and assigns of Issuer, the Investor and the Escrow Agent.
19. Execution in Counterparts. This Agreement and any Written Direction may be executed in two or more counterparts, which when so executed shall constitute one and the same agreement or direction. Subject to Section 12 and Section 13 hereof, this Agreement and any Written Direction may be executed and delivered by e-mailing a PDF version of a signed signature page, which shall have the same force and effect as the delivery of an originally executed signature page.
20. Termination of Escrow Agent. Upon the first to occur of (i) the termination of the Escrow Period (subject to the occurrence of the related distribution(s)), (ii) the disbursement of all amounts in the Escrow Account or (iii) the resignation of the Escrow Agent, Escrow Agent shall be released from its obligations hereunder and the Escrow Agent shall have no further obligation or liability whatsoever with respect to this Agreement or the Escrow Assets other than those obligations under Section 6 that extend beyond termination. The obligations of Issuer and the Investor continue to exist notwithstanding the termination or discharge of the Escrow Agent's obligations or liabilities hereunder until the obligations of Issuer and the Investor have been fully performed.

21. Dealings. Nothing herein shall preclude the Escrow Agent from acting in any other capacity for Issuer or for any other entity.
22. Currency. The currency applicable to any amount payable or receivable under this Agreement is United States dollars.
23. Force Majeure. Notwithstanding anything to the contrary hereunder, the Escrow Agent shall not be liable for any delay, failure to perform, or other act or non-act resulting from acts beyond its reasonable control, including acts of God, terrorism, shortage of supply, labor difficulties (including strikes), war, civil unrest, fire, floods, electrical outages, equipment or transmission failures, internet interruption, vendor failures (including information technology providers), and other similar causes.
24. No Third Party Beneficiaries. This Agreement and all of its terms and conditions are for the sole and exclusive benefit of the parties hereto and their respective permitted successors and assigns. Nothing expressed or referred to in this Agreement will be construed to give any person or entity other than the parties to this Agreement any legal or equitable rights, remedy, or claim under or with respect to this Agreement or any term or condition of this Agreement.
25. No Strict Construction. The parties hereto have participated jointly in the negotiation and draft of this Agreement. In the event any ambiguity or question of intent or interpretation arises, this Agreement shall be construed as if it were drafted jointly by the parties hereto, and no presumption or burden of proof shall arise favoring or disfavoring any party hereto by virtue of authorship of any provision of this Agreement.
26. Priority.
- (a) In the event of any conflict between the provisions of Schedule A hereto and the remainder of this Agreement, this Agreement shall be construed in a manner prescribed by the Escrow Agent acting in good faith.
 - (b) Nothing contained in this Agreement shall amend, replace or supersede any agreement between Issuer and the Escrow Agent to act as Issuer's transfer agent, which agreement shall remain of full force and effect.
27. Headings. The headings in this Agreement are for convenience purposes and shall be ignored for purposes of enforcing this Agreement, do not constitute a part of this Agreement, and may not be used by any party hereto to characterize, interpret, limit or affect otherwise any provision of this Agreement.

[signature page follows]

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

SAFE AND GREEN DEVELOPMENT CORPORATION

By: /s/ David Villarreal
Name: David Villarreal
Title: Chief Executive Officer

BRIDGELINE CAPITAL PARTNERS S.A

By: /s/ George Pal
Name: George Pal
Title: Director

By: /s/ Hervé Croset
Name: Hervé Croset
Title: Director

AMERICAN STOCK TRANSFER & TRUST COMPANY, LLC, as
Escrow Agent

By: /s/ Michael Legregin
Name: Michael Legregin
Title: Senior Vice President

SCHEDULE A

1. Escrow Funding.

Escrow Assets:

Issuer Common Stock: 1,999,999 shares

2. Escrow Agent Fees.

Acceptance Fee:	<u>\$ 9,000.00</u>
Annual Escrow Fee (including first year):	<u>\$ 1,000.00</u>
Per Disbursement:	<u>\$</u>
Out-of-Pocket Expenses:	<u>\$ N/A</u>
Transactional Costs:	<u>\$ Included</u>

The Acceptance Fee and the Annual Escrow Fee for each year of the term of this Agreement are payable upon execution of this Agreement. In the event the escrow is not funded, the Acceptance Fee and all related expenses, including attorneys' fees, costs and expenses remain due and payable, and if paid, will not be refunded. Annual fees cover a full year in advance, or any part thereof, and thus are not pro-rated in the year of termination.

The fees quoted in this schedule apply to services ordinarily rendered in the administration of an escrow account and are subject to reasonable adjustment based on final review of documents, or when Escrow Agent is called upon to undertake unusual or extraordinary duties or responsibilities, or as changes in law, procedures, or the cost of doing business demand. Services in addition to and not contemplated in this Agreement, including document amendments and revisions, non-standard cash and/or investment transactions, calculations, notices and reports, and legal fees, will be billed as expenses.

Unless otherwise indicated, the above fees relate to the establishment of one escrow account. Additional sub-accounts governed by this Agreement may incur an additional charge. Transaction costs include charges for wire transfers, checks, internal transfers and securities transactions.

The fees quoted in this schedule are subject to reasonable adjustment by Escrow Agent in accordance with its customary practices and if it is called upon to undertake further unusual or extraordinary duties or responsibilities, or as changes in law, procedures, or the cost of doing business demand.

3. Termination and Disbursement. Unless earlier terminated by the provisions of this Agreement, the Escrow Period will terminate on the date that is 24 months after the date hereof (the "Termination Date"), subject to the distribution of all of the Escrow Assets. Any Escrow Assets remaining in the escrow account on the Termination date shall be returned to the Issuer by the Escrow Agent. Notwithstanding anything to the contrary herein, this Agreement shall continue in full force and effect so long as any Escrow Assets remain deposited with the Escrow Agent and the Escrow Agent shall not distribute any Escrow Assets that are the subject of any Indemnification Claim Notice unless instructed to distribute such Escrow Assets by Written Instruction.

4. Representatives. Each of the following persons is hereby designated and appointed as Issuer Representatives:

David Villarreal
Chief Executive Officer
[address 1]
[address 2]

Nicolai Brune
Chief Financial Officer
[address 1]
[address 2]

5. Notice Addresses.

If to Issuer:

Blank Rome LLP
1271 Avenue of the Americas
New York, NY 10020 Attention:
Facsimile No.: ([●]) [●]-[●]

with a copy (which shall not constitute notice) to:

If to Escrow Agent at:

American Stock Transfer & Trust Company, LLC
6201 15th Ave
Brooklyn NY 11219
Attn: Escrow Department
Tel:

with copy to:

American Stock Transfer & Trust Company, LLC
48 Wall Street, 22nd Floor
New York, NY 10005
Attention: Legal Department
Email:

If to the Investor at:

Bridgeline Capital Partners, S.A.
2 Place de Strasbourg
L-2562 Luxembourg

6. Designated Email Accounts and Telephone Call-Back Numbers (for persons designated to send and receive notices by e-mail).

Issuer:	<u>Name</u>	<u>Email Address</u>	<u>Phone</u>
	Nicolai Brune		
	[name]	[email]	[tel]
Investor:	<u>Name</u>	<u>E mail Address</u>	<u>Phone</u>
Escrow Agent:	<u>Name</u>	<u>Email Address</u>	<u>Phone</u>