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): September 17, 2024

CompoSecure, Inc.

(Exact Name of Registrant as Specified in its Charter)

Delaware	**001-39687**	**85-2749902**
(State or Other Jurisdiction of Incorporation)	**(Commission File Number)**	**(IRS Employer Identification No.)**

309 Pierce Street **Somerset, New Jersey**	
(Address of Principal Executive Offices)	**(Zip Code)**

Registrant's telephone number, including area code: (908) 518-0500

Not Applicable
(Former Name or Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	**Trading Symbol(s)**	**Name of each exchange on which registered**
Class A Common Stock, $0.0001 par value	**CMPO**	**Nasdaq Global Market**
Redeemable warrants, each whole warrant exercisable for one share of Class A Common Stock	**CMPOW**	**Nasdaq Global Market**

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§ 230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§ 240.12b-2 of this chapter).

Emerging growth company ☒

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Item 1.01 Entry into a Material Definitive Agreement

Background

On September 17, 2024, each of the Class B stockholders of CompoSecure, Inc. (the "Company") completed the transactions contemplated pursuant to the previously-announced stock purchase agreements (each, a "stock purchase agreement") with Resolute Compo Holdings LLC ("Resolute" or "Buyer"), pursuant to which Resolute agreed to acquire a majority interest in the Company in privately negotiated sales and eliminate the Company's dual-class structure (the "Transaction"). Accordingly, on September 17, 2024 (the "Closing"), Resolute became the majority owner of the Company, having acquired 49,290,409 shares of the Class A Common Stock of the Company (the "Class A Common Stock") for an aggregate purchase price of approximately $372.1 million, or $7.55 per share of Class A Common Stock acquired, representing an approximately 60% voting interest. Resolute paid the purchase price in cash funded by certain entities related to the family of David Cote. Upon completion of the Transaction, all issued and outstanding shares of Class B Common Stock of the Company were cancelled.

The Company previously filed a Current Report on Form 8-K with the SEC on August 9, 2024 (the "August 9 Form 8-K") to provide additional detail on the Transaction.

As disclosed in the August 9 Form 8-K, pursuant to the terms of the stock purchase agreements, each Class B stockholder party thereto (the "Selling Holder") agreed with Resolute to (i) exchange all of such Selling Holder's Class B Units of CompoSecure Holdings, L.L.C. ("Holdings"), a subsidiary of the Company, for shares of Class A Common Stock (with all of such Selling Holder's shares of Class B Common Stock being automatically cancelled for no consideration upon such exchange by operation of the Company's certificate of incorporation), and (ii) subsequently sell to Tungsten 2024 LLC ("Tungsten") an agreed number of shares of Class A Common Stock of the Company to be owned by the Selling Holder immediately following such exchange. Pursuant to the terms of the stock purchase agreements, each Selling Holder agreed to initiate the exchange of their Class B Units pursuant to the terms of the existing Exchange Agreement, dated as of December 27, 2021, by and among the Company, Holdings and the holders of Class B Units from time to time party thereto, and agreed to sell all or a portion of such resulting shares of Class A Common Stock to Buyer in a series of privately negotiated sales.

The Selling Holders who delivered stock purchase agreements to Resolute include but are not limited to: (a) LLR Equity Partners IV, L.P., a Delaware limited partnership, LLR Equity Partners Parallel IV, L.P., a Delaware limited partnership (such persons set forth in this clause (a), collectively, "LLR"), which are entities affiliated with or controlled by Mitchell Hollin, who as of the signing date was a member of our Company's Board of Directors (the "Board"), (b) Ephesians 3:16 Holdings LLC, a Delaware limited liability company, Carol D. Herslow Credit Shelter Trust B, and Michele D. Logan, who as of the signing date was a member of our Board (such persons set forth in this clause (b), collectively, "Logan") and (c) CompoSecure Employee, L.L.C., an entity controlled by Jonathan C. Wilk, our Chief Executive Officer ("Wilk LLC"). Each of Ms. Logan and Mr. Wilk's respective stock purchase agreements anticipated that each would retain an ownership interest in the Class A Common Stock following the Transaction.

As further disclosed in the August 9 Form 8-K, although the Company is not party to the stock purchase agreements, in connection with the Transaction, upon authorization and approval by a special committee of the Board comprised solely of independent and disinterested directors (the "Special Committee"), (i) the Company and Holdings entered into that certain Letter Agreement, dated August 7, 2024, with Tungsten (the "Letter Agreement") and (ii) the Company and Holdings entered into Amendment No 1. to the Tax Receivable Agreement dated December 27, 2021 (the "TRA Amendment") with certain of the TRA Parties (as defined in the Tax Receivable Agreement), including LLR, Logan, the Wilk LLC (each in its capacity as a TRA Party) and the other TRA Parties identified on the signature pages thereto (the "TRA Amendment"). Each of the Letter Agreement and the TRA Amendment were filed as Exhibits 10.1 and 10.2 to the August 9 Form 8-K, respectively, and the terms thereof are qualified in their entirety by reference to the full text of each such document as included in such filing.

Pursuant to the Letter Agreement, the Company agreed that, among other things, subject to and contingent on the consummation of the Closing, (i) the Board, acting upon the recommendation of the Special Committee, would adopt resolutions increasing the size of the Board to eleven (11) directors effective immediately prior to the Closing, (ii) Mitchell Hollin and Michele Logan shall resign as members of the Board, subject to the appointment of David Cote, Tom Knott and four other individuals designated by Buyer to the Board pursuant to the terms of the Letter Agreement (at least two of whom must qualify as an "independent director" pursuant to the Securities Exchange Act of 1934, as amended (the "Exchange Act"), and Nasdaq listing standards, such qualification subject to the confirmation thereof by the Special Committee, each, a "Buyer Independent Designee"), with Mr. Cote to fill the vacancy created by Mr. Hollin and to hold office as a Class III director and Executive Chairman of the Board for the remainder of Mr. Hollin's term expiring at the Company's annual meeting of stockholders to be held in 2027, and with Mr. Knott to fill the vacancy created by Ms. Logan and to hold office as a Class II director for the remainder of Ms. Logan's term expiring at the Company's annual meeting of stockholders to be held in 2026, (iii) subject to the terms of the Letter Agreement, the Company and the stockholders party thereto shall, at the Closing, terminate the existing Stockholders Agreement (as defined below), and (iv) subject to the terms of the Letter Agreement, each of the Company and Buyer (on behalf of itself and its affiliates) shall execute and deliver, at the Closing, a Governance Agreement in the form attached to the Letter Agreement as Exhibit B (the "Governance Agreement").

On September 12, 2024, with respect to each stock purchase agreement, Tungsten entered into an Assignment and Assumption of Purchase Agreement with Buyer, pursuant to which Tungsten assigned all of Tungsten's rights and obligations under each stock purchase agreement to Buyer and Buyer accepted such assignment and assumed and agreed to perform all of Tungsten's obligations under each stock purchase agreement.

On September 13, 2024, the Hart-Scott-Rodino waiting period expired at 11:59 p.m., at which point all regulatory approval conditions were satisfied.

TRA Amendment

As previously disclosed in the August 9 Form 8-K, the TRA Amendment provides for certain amendments to the Tax Receivable Agreement for the benefit of the Company. In particular, the TRA Amendment amends the definition of "Change of Control" (as defined in the Tax Receivable Agreement) to forego the acceleration of certain payments that may have otherwise been payable to the TRA Parties by the Company or Holdings as a result of the Transaction, provided that such TRA Parties shall retain their right to acceleration of payments upon any future change of control. The TRA Amendment also amends the "Early Termination Rate" (as defined in the Tax Receivable Agreement) by providing for an increase in the discount rate applicable to any future early termination payments pursuant to the Tax Receivable Agreement, resulting in a decrease in the amount of any such potential payments that the TRA Parties would otherwise be entitled to receive.

On September 17, 2024, each of the Sellers and Buyer consummated the transactions anticipated by each stock purchase agreement, and the Closing occurred. Accordingly, pursuant to its terms, the TRA Amendment became effective as of September 17, 2024, with no further action required by the Company, Holdings or the other parties thereto.

Governance Agreement

In connection with the Closing, on September 17, 2024, the Company, Tungsten and Buyer, entered into the Governance Agreement, pursuant to which the Company, on the one hand, and Tungsten, together with Buyer and certain of its affiliates (collectively, the "Stockholder"), on the other hand, shall take all reasonable actions within their respective control to (i) fix and maintain the number of directors that will constitute the whole Board at eleven (11) directors, (ii) maintain on the Board at all times no less than six (6) directors who each qualify as an "independent director" under the Exchange Act and the Nasdaq listing rules (collectively, the "Independent Directors"), as such individuals may be designated by the Nominating Committee of the Board (the "Nominating Committee"), (iii) maintain on the Board at all times the then serving Chief Executive Officer of the Company (the "Executive Director"), (iv) maintain at all times a Nominating Committee that is comprised of a majority of Independent Directors, (v) maintain on the Board, for so long as the Stockholder owns or holds (whether beneficially, of record or otherwise) at least 35% of the outstanding shares of Common Stock, no less than six (6) designees of the Stockholder (collectively, the "Stockholder Directors"), of whom two (2) shall qualify as Independent Directors and be subject to approval of the Nominating Committee, which approval shall not be unreasonably withheld (collectively, the "Stockholder-Designated Independent Directors"), and (vi) cause to be elected or appointed to the Board each such designated Independent Director (including the Stockholder-Designated Independent Directors, as applicable), each other Stockholder Director (as applicable) and the Executive Director.

In addition, the Governance Agreement provides for a twelve (12) month lock-up period, during which time the Stockholder and its affiliates may not, subject to the terms of the Governance Agreement, sell, dispose of or otherwise Transfer (as defined in the Governance Agreement) any Voting Shares (as defined in the Governance Agreement), except for certain Permitted Transfers (as defined in the Governance Agreement). Additionally, the Governance Agreement provides for a twelve (12) month standstill period, during which time the Stockholder and its affiliates, subsidiaries, or associates may not, amongst other matters and subject to the terms of the Governance Agreement, acquire, offer or propose to acquire, or participate in a "group" (within the meaning of Section 13(d)(3) of the Exchange Act) to acquire additional securities of the Company if such acquisition or participation in a group would result in the Stockholder and its controlled affiliates owning securities of the Company representing more than that percentage of the total issued and outstanding shares of Class A Common Stock owned by the Stockholder as of the effective date of the Governance Agreement. The Governance Agreement further prohibits, for a period of twenty-four (24) months following the effective date of the Governance Agreement and subject to the terms contained therein, (i) the Company and the Stockholder from entering into any Rule 13e-3 Transaction (as defined in the Governance Agreement), and (ii) the Stockholder or its affiliates from effecting any short-form merger with the Company pursuant to Section 253 of the General Corporation Law of the State of Delaware. The Governance Agreement also provides that, unless and until the Governance Agreement is terminated, none of the Company, the Board or the Stockholder will authorize, approve or ratify a voluntary delisting of the shares of Class A Common Stock from the Nasdaq stock exchange or voluntary deregistration of shares of Class A Common Stock under the Exchange Act, in either case, without the prior approval of a majority of the Independent Directors.

The foregoing summary of the Governance Agreement is not complete and is qualified in its entirety by reference to the full text of such document, attached hereto as Exhibit 10.1, which is incorporated herein by reference.

The information set forth below under Item 1.02 of this Current Report on Form 8-K is hereby incorporated by reference into this Item 1.01.

Item 1.02 Termination of a Material Definitive Agreement.

Termination of Stockholders' Agreement

The information set forth in Item 1.01 of this Current Report on Form 8-K is hereby incorporated by reference into this Item 1.02.

On September 17, 2024, the Company and those certain stockholder signatories thereto entered into an agreement to terminate that certain Stockholders Agreement, dated December 27, 2021 (the "Stockholders Agreement"), by and among the Company and the individuals and entities signatory thereto (the "Termination Agreement"). The Stockholders Agreement related to the voting for directors of the Company and contained certain lock-up restrictions, as well as a registration rights agreement that provided customary registration rights to certain equity holders of the Company. Pursuant to the Termination Agreement, the Stockholders Agreement has been terminated as of the Closing.

The foregoing summary of the Termination Agreement is not complete and is qualified in its entirety by reference to the full text of such document, attached hereto as Exhibit 10.2, which is incorporated herein by reference.

Item 5.01 Changes in Control of Registrant.

The information set forth in Item 1.01 and Item 1.02 of this Current Report on Form 8-K is hereby incorporated by reference into this Item 5.01. The information set forth in Item 5.02 of this Current Report on Form 8-K regarding the arrangements between the Company and Buyer with respect to the election of directors and other matters is hereby incorporated by reference into this Item 5.01.

As disclosed in Item 1.01 above, effective as of the Closing, Buyer acquired shares of Class A Common Stock representing approximately 60% of the voting power of the Company. As of the date of this Current Report on Form 8-K, Mr. John Cote, the manager of Tungsten, as managing member of Buyer, beneficially owns shares (consisting of the shares acquired by Buyer and other shares previously acquired) representing approximately 62% of the Company.

Item 5.02 Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.

The information set forth in Item 1.01 and Item 1.02 of this Current Report on Form 8-K is hereby incorporated by reference into this Item 5.02.

On September 17, 2024, in accordance with the Letter Agreement, the Board approved the increase in the size of the Board from seven (7) directors to eleven (11) directors.

Resignation of Directors

In connection with the Transaction, on August 7, 2024, each of Mitchell Hollin and Michele Logan delivered notice of their resignation as a member of the Board and all committees thereof (and in Mr. Hollin's case, as Chairman of the Board), subject to and contingent on the consummation of the Closing, pursuant to the terms of the Letter Agreement (the "Resignation Letters"). Such resignations from the Board are not a result of a disagreement with the Company on any matter relating to the Company's operations, policies or practices or any other matter. Pursuant to the terms of the Resignation Letters, each of Mr. Hollin and Ms. Logan's resignations became effective as of the Closing, on September 17, 2024.

Appointment of New Directors

In connection with the Closing and in accordance with the terms of the Letter Agreement, and on the recommendation of the Special Committee with respect to each Buyer Independent Designee, effective September 17, 2024, the Board appointed six (6) new members of the Board: Mr. David M. Cote, Mr. Thomas R. Knott, Mr. Joseph DeAngelo, Mr. Mark James, Mr. Roger Fradin and Mr. John Cote (each, a "New Director").

David M. Cote

Mr. David Cote has been appointed to fill the Board position created by the resignation of Mr. Hollin, and shall hold office as a Class III director and as Executive Chairman of the Board for the term expiring at the annual meeting of the stockholders of the Company to be held in 2027, or until his earlier resignation or removal.

Mr. David Cote has served as the Executive Chairman of the board of directors of Vertiv Holdings Co ("Vertiv"), a digital infrastructure and continuity provider, since February 2020 and as Chief Executive Officer, President and Secretary and Chairman of the board of directors of its predecessor, GS Acquisition Holdings Corp. ("GSAH"), a special purpose acquisition company, from April 2018 until February 2020. Mr. David Cote previously served in roles of increasing seniority at Honeywell International Inc. ("Honeywell"), a multinational conglomerate, commencing with his appointment in February 2002 as President and Chief Executive Officer, including as Chairman and Chief Executive Officer from July 2002 to March 2017 and subsequently as Executive Chairman of the board of directors of Honeywell until April 2018. Mr. David Cote is the father of Mr. John Cote. Mr. David Cote was selected to serve on the Board due to his extensive leadership, management, and investing experience, including in the industrial sector.

Thomas R. Knott

Mr. Tom Knott has been appointed to fill the Board position created by the resignation of Ms. Logan, and shall hold office as a Class II director for the term expiring at the annual meeting of the stockholders of the Company to be held in 2026, or until his earlier resignation or removal.

Mr. Knott currently serves as a non-managing member of Tungsten. Among his previous roles, Mr. Knott served as the Head of Permanent Capital Strategies Group in the Consumer and Investment Management Division of Goldman Sachs, a global investment bank and financial services firm, starting in March 2018. He was also the CEO, CFO, Secretary and Director of special purposes acquisition companies Goldman Sachs Acquisition Holdings I ("GSAH I") and Goldman Sachs Acquisition Holdings II ("GSAH II"), respectively. Mr. Knott led all aspects of Goldman Sachs' co-sponsorship of GSAH II from its initial public offering in June 2020 to its merger with Mirion Technologies, a provider of nuclear measurement and detection systems, in October 2021. He also led GSAH I from its initial public offering in June 2018 to its merger with Vertiv in February 2020. Mr. Knott was selected to serve on the Board due to his deep management and investing experience, including in the industrial sector. As of September 17, 2024, Mr. Knott has been appointed to serve as a member of the Compensation Committee of the Board (the "Compensation Committee").

John Cote

Mr. John Cote has been appointed to fill one of the newly created directorships created by the expansion in the size of the Board, to hold office as a Class I director for the term expiring at the annual meeting of the stockholders of the Company to be held in 2025, or until his earlier resignation or removal.

Mr. John Cote is a Managing Partner and founder of SRM Equity Partners, LLC, a private equity firm, and serves as the manager of Tungsten. Among his previous roles, Mr. John Cote has served as the Chief Executive Officer of Industrial Inspection & Analysis, Inc., an inspection, testing and analytical business. Mr. John Cote brings a background in investment banking from his years at J.P. Morgan Chase & Co, a global investment bank and financial services firm, where he worked on equity, debt, and M&A transactions in the Natural Resources Coverage group, and where he was a member of the Corporate Client Banking strategy team. Mr. John Cote is the son of Mr. David Cote. Mr. John Cote was selected to serve on the Board due to his deep leadership and investing experience, including in the industrial sector. As of September 17, 2024, Mr. John Cote has been appointed to serve as a member of the Nominating and Corporate Governance Committee of the Board (the "Nominating and Corporate Governance Committee").

Mark James

Mr. Mark James has been appointed to fill one of the newly created directorships created by the expansion in the size of the Board, to hold office as a Class II director for the term expiring at the annual meeting of the stockholders of the Company to be held in 2026, or until his earlier resignation or removal.

Mr. James is the President of Mark James Enterprises, his own executive consulting business. Previously, Mr. James served in roles of increasing seniority at Honeywell for over 20 years before his retirement in July 2020, including nearly 13 years as Chief Human Resources Officer. Prior to becoming CHRO, Mr. James' prior roles at Honeywell included serving as Vice President of Human Resources and Communications for Honeywell Aerospace, Vice President of Human Resources and Communications for Honeywell Aerospace Electronic Systems, and HR Director of Federal Manufacturing and Technologies. Mr. James was selected to serve on the Board due to his deep leadership and management experience, including in the industrial sector. As of September 17, 2024, Mr. James has been appointed to serve as chair of the Nominating and Corporate Governance Committee, and as a member of the Compensation Committee.

Roger B. Fradin

Mr. Roger Fradin, whom the Special Committee and the Board has determined qualifies as an "independent director" under the Exchange Act, and the Nasdaq listing rules and thus qualifies as a Buyer Independent Designee pursuant to the Letter Agreement, has been appointed to fill one of the newly created directorships created by the expansion in the size of the Board, to hold office as a Class I director for the term expiring at the annual meeting of the stockholders of the Company to be held in 2025, or until his earlier resignation or removal.

Mr. Fradin has served as a director of Vertiv since February 2020, and previously as a director of its predecessor GSAH from June 2018. Mr. Fradin previously served in roles of increasing seniority at Honeywell from 2000 until his retirement in 2017, including as President and Chief Executive Officer of Honeywell's Automation and Control Solutions business from January 2004 to April 2014 and as Vice Chairman of Honeywell from April 2014 until February 2017. Mr. Fradin also serves as a consultant for The Carlyle Group, a global investment firm, and an advisor to Seal Rock Partners, a private equity investment firm. Mr. Fradin was selected to serve on the Board due to his deep leadership and investing experience, industrial expertise, as well as for his experience overseeing acquisitions. As of September 17, 2024, Mr. Fradin has been appointed to serve as chair of the Compensation Committee, and as a member of the Audit Committee of the Board (the "Audit Committee").

Joseph DeAngelo

Mr. Joseph DeAngelo, whom the Special Committee and the Board has determined qualifies as an "independent director" under the Exchange Act, and the Nasdaq listing rules and thus qualifies as a Buyer Independent Designee pursuant to the Letter Agreement, has been appointed to fill one of the newly created directorships created by the expansion in the size of the Board, to hold office as a Class II director for the term expiring at the annual meeting of the stockholders of the Company to be held in 2026, or until his earlier resignation or removal.

Mr. DeAngelo has served as a director of Vertiv since October 2022 and as Chairman of the Board, President and Chief Executive Officer of HD Supply Holdings, Inc. ("HDS"), one of the largest industrial distributors in North America, beginning in March 2015. Mr. DeAngelo previously served as President and Chief Executive Officer of HDS beginning January 2005, and was a member of HDS's board beginning August 2007, serving in each position until the closing of the acquisition of HDS by The Home Depot during 2020. Mr. DeAngelo also served as Executive Vice President and Chief Operating Officer of The Home Depot during 2007, and from 2005 to 2006, he served as Executive Vice President of HDS. Mr. DeAngelo was selected to serve on the Board due to his extensive leadership, management experience, and industry knowledge. As of September 17, 2024, Mr. DeAngelo has been appointed to serve as chair of the Audit Committee, and as a member of the Nominating and Corporate Governance Committee.

As a result of the Transaction, the Company is a "controlled company" within the meaning of Rule 5615(c)(1) of the Nasdaq listing rules. The Board has approved the Company's availing itself of the "controlled company" exemptions under the Nasdaq listing rules.

As a result of the New Directors' Board committee appointments made on September 17, 2024, the Board committees have the following composition: the Audit Committee comprises Mr. DeAngelo, Mr. Fradin and Mr. Brian Hughes, with Mr. DeAngelo serving as chair; the Compensation Committee comprises Mr. Fradin, Ms. Niloofar Razi Howe, Mr. James and Mr. Knott, with Mr. Fradin serving as chair; and the Nominating and Corporate Governance Committee comprises Mr. James, Mr. John Cote, Mr. DeAngelo, Mr. Paul Galant and Ms. Jane Thompson, with Mr. James serving as chair.

On September 17, 2024, each New Director entered into an indemnity agreement with the Company (the "Indemnity Agreement"), each of which is substantially similar to the Form of Indemnification Agreement previously entered into by the other officers and directors of the Company. Other than the Indemnity Agreement, the New Directors are not party to nor do they participate in any material plan, contract or arrangement (whether or not written) of the Company. Except as otherwise described herein, (i) there are no family relationships between any New Director and any other director or executive officer of the Company, (ii) there are no arrangements or understandings between any New Director and any other persons pursuant to which such New Director has been selected as a director to the Company's Board, and (iii) no New Director is a party to any transaction required to be disclosed under Item 404(a) of Regulation S-K.

In connection with the Closing, the Board determined to suspend the automatic issuance of equity awards to the New Directors pursuant to the Company's Non-Employee Director Compensation Policy. The Board plans to reevaluate the appropriate compensation for the Company's directors following the completion of the Transaction.

In addition, on September 17, 2024, the Board determined that the Transaction would constitute (i) a "Change of Control" under the CompoSecure, Inc. 2021 Incentive Equity Plan (the "Company Equity Plan") and (ii) a "Corporate Transaction" under the CompoSecure, L.L.C. Equity Incentive Plan (the "Rollover Plan"). Acting within its authority pursuant to the Company Equity Plan, the Board determined that the outstanding equity awards, including performance-based awards under the Company Equity Plan, will remain outstanding pursuant to the terms of the Company Equity Plan and the applicable award agreements following the Closing. As a result, the applicable performance metrics will be measured over the periods as set forth in the Company Equity Plan or the individual awards unchanged by the Transaction. In addition, acting within its authority pursuant to the Rollover Plan, the Board determined that the outstanding awards under such plan, including certain options to purchase shares of Class A Common Stock of the Company, will remain outstanding pursuant to the terms of the Rollover Plan and the applicable award agreement following the Closing. As a result, for the remainder of the term applicable to such options or until such options become vested and/or exercised pursuant to such terms, the terms applicable to the options shall remain unchanged by the Transaction. Accordingly, there have been no material changes or awards granted pursuant to any Company material compensatory plan, contract or arrangement.

Item 7.01 Regulation FD Disclosure.

On September 17, 2024, the Company issued a press release announcing the Closing. A copy of the press release is furnished herewith as Exhibit 99.1 and is incorporated into this Item 7.01 by reference.

The information furnished pursuant to Item 7.01, including Exhibit 99.1, shall not be deemed to be "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, shall not otherwise be subject to the liabilities of that section and shall not be deemed incorporated by reference in any filing under the Securities Act of 1933, as amended, unless specifically identified therein as being incorporated therein by reference. The furnishing of this communication is not intended to constitute a representation that such information is required by Regulation FD or that the material it contains includes material information that is not otherwise publicly available.

Item 8.01 Other Events.

The Closing will trigger the occurrence of a Fundamental Change and a Make-Whole Fundamental Change (each as defined in the indenture (the "Indenture") governing Holdings' 7.00% Exchangeable Notes due 2026 (the "Notes")), which will be effective within five business days of the Closing. As a result of the Make-Whole Fundamental Change, each holder of Notes will have the right to exchange its Notes at an exchange rate that the Company expects will be increased temporarily. This increased exchange rate will apply only to exchanges of Notes beginning on the effective date of the Make-Whole Fundamental Change and ending on the business day immediately preceding the Fundamental Change Repurchase Date (as defined below). Following this period, the Exchange Rate will revert to its current Exchange Rate. Once the Make-Whole Fundamental Change has become effective, the Company will issue a notice to holders of the Notes pursuant to the terms of the Indenture, and which the Company intends to disclose via an amendment to this Current Report on Form 8-K.

Additionally, as a result of the occurrence of a Fundamental Change, each holder of Notes will have the right, at such holder's option, to require Holdings to purchase for cash all of such holder's Notes, or any portion thereof that is a multiple of $1,000 principal amount, on the Fundamental Change Repurchase Date, in accordance with and subject to the satisfaction by the holder of the requirements set forth in the Indenture. The repurchase price will be 100% of the principal amount of such Notes, plus any accrued and unpaid interest thereon, to, but excluding, the Fundamental Change Repurchase Date. On or before the 20th calendar day after the effective date of the Fundamental Change, Holdings will deliver to holders a notice constituting a Fundamental Change Company Notice (as defined in the Indenture) specifying the Fundamental Change Repurchase Date, which will be a date not less than 20 business days or more than 35 business days following the date of the Fundamental Change Company Notice.

Item 9.01 Exhibits

(d) Exhibits

Exhibit No.	**Description**
10.1*	Governance Agreement, dated September 17, 2024, by and between CompoSecure, Inc., Resolute Compo Holdings LLC and Tungsten 2024 LLC.
10.2	Agreement to Terminate Stockholders Agreement, dated September 17, 2024, by and between CompoSecure, Inc. and the certain stockholders signatories thereto.
99.1	Press Release, dated September 17, 2024.
104	Cover Page Interactive Data File (embedded with the Inline XBRL document)

* Certain schedules and exhibits to this Exhibit have been omitted pursuant to Item 601(a)(5) of Regulation S-K. The Company agrees to provide a copy of any omitted schedule or exhibit to the SEC or its staff upon request.

SIGNATURE

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

COMPOSECURE, INC.

Date: September 17, 2024

By: /s/Timothy Fitzsimmons
Timothy Fitzsimmons
Chief Financial Officer

Governance Agreement

This GOVERNANCE AGREEMENT (this "Agreement") is made as of September 17, 2024 (the "Effective Date"), by and among CompoSecure, Inc. (the "Company"), Resolute Compo Holdings LLC ("Resolute") and Tungsten 2024 LLC ("Buyer").

RECITALS

WHEREAS, Resolute is a controlled Affiliate (as used herein, as such term is defined in Rule 12b-2 of the Securities Exchange Act of 1934, as amended (the "Exchange Act")) of Buyer;

WHEREAS, the Buyer has entered into those certain Stock Purchase Agreements (the "Purchase Agreements"), by and among Buyer and the persons set forth on Schedule I attached thereto, pursuant to which the Buyer will acquire, subject to and upon the closing of the transactions contemplated by the Purchase Agreements (the "Closing"), 49,290,409 shares (the "Aggregate Purchased Shares") of Class A Common Stock, par value $0.0001 per share, of the Company (the "Common Stock") representing 60% of the issued and outstanding shares of capital stock of the Company;

WHEREAS, the Company is a party to that certain Stockholders Agreement dated as of December 27, 2021 by and among the Company and the signatory stockholders thereto (the "Stockholders Agreement"), and Buyer has conditioned the consummation of the Closing on termination of such Stockholders Agreement;

WHEREAS, on July 30, 2024, the board of directors (the "Board") of the Company established a special committee (the "Special Committee") comprised entirely of independent directors and authorized the Special Committee to, among other things, (i) take all actions with respect to the transactions contemplated by the Purchase Agreements, including any review, discussion, consideration, deliberation, examination, investigation, analysis, assessment, evaluation, exploration, response, negotiation, termination, rejection, approval and/or authorization on behalf of the Company in connection therewith, and (ii) take any and all other actions as the Special Committee in its sole discretion deems necessary, advisable or appropriate in connection with its consideration of the transactions contemplated by the Purchase Agreements;

WHEREAS, after due consideration of all factors the Special Committee deems relevant (including, without limitation, the interests of the holders of Common Stock other than any holder thereof that also holds shares of Class B Common Stock, par value $0.0001 per share, of the Company) and in consultation with its legal and financial advisors, on August 7, 2024, the Special Committee approved, among other things, the termination of the Stockholders Agreement on behalf of the Company, pursuant to the terms of a letter agreement, dated August 7, 2024, by and among the Company and Buyer (the "Letter Agreement"), subject to and conditioned upon, the execution and delivery of this Agreement (the "Special Committee Determination");

WHEREAS, as of the Effective Date, and immediately following the consummation of the Closing under the Purchase Agreement, the Buyer, together with Resolute and certain of its Affiliates (collectively, the "Stockholder"), is the record and beneficial holder of the number and class of shares of capital stock of the Company as set forth opposite its name on Schedule A hereto.

NOW, THEREFORE, in consideration of the mutual promises and covenants set forth herein, and certain other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. Stockholder Voting Matters.

1.1 Agreement to Vote. Until the termination of this Agreement pursuant to the terms hereof, the Stockholder hereby covenants and agrees that it shall vote (or consent) or cause to be voted (or a consent given with respect to) all shares of Common Stock owned or held (whether beneficially, as such term is defined in the Exchange Act, of record or otherwise) by such Stockholder or its Affiliates, including any shares of capital stock of the Company acquired and owned or held (beneficially, of record or otherwise) by the Stockholder or its Affiliates subsequent to the Effective Date (hereinafter, the "Voting Shares"), in accordance with the provisions of this Agreement whether at regular or special meetings of the Company's stockholders or any subset thereof or pursuant to any consent in lieu of a meeting of stockholders. The obligations of the Stockholder pursuant to this Article 1 shall include any stockholder vote to amend the certificate of incorporation or the bylaws of the Company as required to effect the intent of this Agreement, notwithstanding any limitation on such amendment set forth herein.

1.2 Board of Directors; Election. At each meeting of the stockholders of the Company (or pursuant to any consent in lieu thereof), the Company and the Stockholder shall take all reasonable actions within their respective control (including, with respect to the Stockholder, by voting or causing to be voted all Voting Shares owned or held by the Stockholder or its Affiliates) in such manner as may be necessary to (i) fix and maintain the number of directors which shall constitute the whole Board at eleven (11) directors, (ii) maintain on the Board at all times no less than six (6) directors who each qualify as an "independent director" under the Exchange Act and the NASDAQ listing rules (collectively, the "Independent Directors"), as such individuals may be designated by the Nominating Committee of the Board (the "Nominating Committee"), (iii) maintain on the Board at all times the then serving Chief Executive Officer of the Company (the "Executive Director"), (iv) maintain at all times a Nominating Committee that is comprised of a majority of Independent Directors, (v) maintain on the Board for so long as the Stockholder owns or holds (whether beneficially, of record or otherwise) at least 35% of the outstanding shares of Common Stock no less than six (6) designees of the Stockholder (collectively, the "Stockholder Directors"), of which two (2) shall qualify as Independent Directors and be subject to approval of the Nomination Committee, which approval shall not be unreasonably withheld (collectively, the "Stockholder-Designated Independent Directors"), and (vi) cause to be elected or appointed to the Board each such designated Independent Director (including the Stockholder-Designated Independent Directors, as applicable), other Stockholder Directors (as applicable) and the Executive Director. In furtherance of the foregoing, the Company agrees to include in the slate of nominees recommended by the Board those persons designated by the Nominating Committee for inclusion on the slate as the Independent Directors (including the Stockholder-Designated Independent Directors (as applicable)), the other Stockholder Directors (as applicable) and the Executive Director, and to use all reasonable best efforts to cause the election of such Independent Director designees, other Stockholder Director designees and the Executive Director designee to the Board, including soliciting proxies in favor of the election of such person, subject only to applicable law.

1.3 Vacancies; Removal; Resignation. In the event any individual serving as an Independent Director ceases to serve as a member of the Board, or any vacancy occurs among the Independent Directors by reason of death, disability, retirement, resignation, removal or, if and when applicable, an increase in the either the number of Independent Directors, each of the Company and the Stockholder, in its capacity as a stockholder of the Company, shall take all such action reasonably necessary to promptly cause the election or appointment of a substitute Independent Director selected in accordance with Section 1.2, including by voting or causing to be voted the Voting Shares owned or held by the Stockholder or its Affiliates, in favor thereof. The Stockholder shall not vote any of the Voting Shares owned or held by the Stockholder or its Affiliates in favor of the removal of any Independent Director unless such removal shall be first authorized by a majority of the Independent Directors. The Company shall require, as a condition to the employment of any Chief Executive Officer (or any continuation thereof), that upon the resignation or other termination of the Chief Executive Officer from such office, he or she will immediately resign as a member of the Board.

2. Lock-Up.

2.1 Except as expressly set forth herein, during the period commencing on the Effective Date and ending on the date that is twelve (12) months after the Effective Date (the "Lock-Up Period"), the Stockholder shall not, and shall cause its Affiliates not to, directly or indirectly, whether by merger, consolidation, conversion, domestication or otherwise by operation of law, (a) transfer, sell, hypothecate, lend, offer for sale, pledge, give, contract to sell, sell any option or contract to purchase, purchase any option or contract to sell, grant any option, right or warrant to purchase or otherwise transfer or dispose of any Voting Shares owned or held by Stockholder or its Affiliates or any securities convertible into or exercisable or exchangeable for Voting Shares or any shares of Common Stock issuable upon conversion of any Voting Shares, (b) enter into any swap or other agreement, arrangement or transaction that transfers to another, in whole or in part, directly or indirectly, any of the economic consequences of, or rights associated with, ownership of the Voting Shares owned or held by Stockholder or its Affiliates or any securities convertible into or exercisable or exchangeable for Voting Shares, whether any such transaction described in clauses (a) or (b) above (in each case, a "Transfer") is to be settled by delivery of shares of Common Stock or such other securities, in cash or otherwise, or (c) publicly announce any intention to effect any transaction specified in clause (a) or (b).

2.2 Permitted Transfers. Notwithstanding anything to the contrary herein, the restriction on Transfers set forth in Section 2.1 shall not apply to (each of the below, a "Permitted Transfer"):

(i) Transfers of shares of Common Stock by Stockholder to its wholly owned Affiliates, provided (a) that such Affiliate executes a joinder in accordance with Section 6, and (b) that no such Transfer(s) shall relieve the Stockholder of its obligations under this Agreement;

(ii) a Transfer pursuant to (A) any merger, tender or exchange offer, consolidation, amalgamation, conversion, domestication, reorganization, or similar transaction between the Company and another person pursuant to which the stockholders of the Company immediately prior to such merger, tender or exchange offer, consolidation, amalgamation, conversion, domestication, reorganization or similar transaction would own, as of immediately after such transaction, less than 50% of the total economic or voting power of all outstanding shares of capital stock of the Company (or resulting or surviving entity), (B) any sale, lease, license, exchange, transfer or other disposition of all or substantially all of the assets of the Company or any of its subsidiaries to another person, or (C) the voluntary initiation of any liquidation, dissolution or winding up of the Company or commencement of a proceeding for bankruptcy, insolvency or receivership with respect to the Company or any of its subsidiaries, in each of the foregoing clauses (a), (b) and (c), whether in any single transaction or series of related transactions, regardless of the amount of consideration (the foregoing, a "Change in Control Transaction"), in each case, which results in all holders of the capital stock having the right to exchange their shares of capital stock for cash, securities or other property (including, for the avoidance of doubt, any tender offer or exchange offer that is for less than all of the issued and outstanding shares of Common Stock);

(iii) any Transfer of Voting Shares in an open market transaction, *provided* that the Stockholder (or its Affiliates) shall in no event be permitted to Transfer Voting Shares if, following such Transfer (whether in a single transaction or in a series of transactions) the Stockholder shall cease to own (beneficially or otherwise) at least 50% of the total Voting Shares owned or held by the Stockholder on the Effective Date (as adjusted for any subdivision, combination, stock split, stock dividend or other recapitalization or reclassification); or

(iv) any Transfer of Voting Shares to the Company during the Lock-up Period pursuant to the Stockholder's *pro rata* participation in a repurchase program approved by the Board in accordance with the terms of this Agreement.

2.3 Transfers in Violation of this Agreement. If any Transfer of Voting Shares is made or attempted contrary to the provisions of this Agreement, such purported Transfer shall be null and void *ab initio*, and the Company may refuse to recognize any such purported transferee of the Voting Shares as a holder of Common Stock for any purpose. Stockholder agrees that during the Lock-Up Period, the Company may, with respect to any Voting Shares or any securities convertible into or exercisable or exchangeable for Voting Shares owned or held by Stockholder or its Affiliates, cause the transfer agent or other registrar to enter stop transfer instructions and implement stop transfer procedures with respect to any Transfer of such securities during the Lock-up Period not in compliance with this Section 2.

3. Standstill.

3.1 During the period commencing on the Effective Date and ending on the date that is twelve (12) months after the Effective Date (the "Standstill Period"), without the prior written approval of a majority of the Independent Directors, the Stockholder shall not, and shall not permit its Affiliates, subsidiaries, or associates (as defined in Section 10.3 of the Second Amended and Restated Certificate of Incorporation of the Company) to:

(i) acquire, offer or propose to acquire (whether publicly or otherwise), or agree or seek to acquire, or solicit the acquisition of, by purchase or otherwise, any equity, debt or equity-linked securities of the Company if, following such acquisition, Stockholder and its controlled Affiliates would own securities of the Company representing more than 62% of the issued and outstanding shares of Common Stock (as adjusted for any subdivision, combination, stock split, stock dividend or other recapitalization or reclassification);

(ii) make, or in any way participate in any solicitation of any proxy to vote any of the Voting Shares (or other equity securities of the Company) with respect to any matter (including, without limitation, any contested solicitation for the election of directors with respect to the Company), other than solicitations or acting as a participant in support of all of the Company's nominees including, without limitation, the nominees for Independent Directors pursuant to Article 1;

(iii) form, join or in any way participate in, or enter into any agreement, arrangement or understanding with, a "group" (within the meaning of Section 13(d)(3) of the Exchange Act and the rules and regulations thereunder) with respect to any equity or equity-linked securities of the Company for purposes of the transactions contemplated by Section 3.1(i) or Section 3.1(ii), or deposit any Voting Shares (or other equity securities of the Company) in a voting trust or similar arrangement or subject any Voting Shares (or other equity securities of the Company) to any voting agreement or similar arrangement, or grant any proxy with respect to any Voting Shares (or other equity securities of the Company) (other than to a designated representative of the Company pursuant to a proxy statement of the Company), other than as contemplated by this Agreement;

(iv) commence or offer to commence (whether publicly or otherwise) any tender or exchange offer for any securities of the Company or its subsidiaries;

(v) effect or seek to effect (including, without limitation, by entering into any discussions, negotiations, agreements or understandings whether or not legally enforceable with any third person), offer or propose (whether publicly or otherwise) to effect, or cause or participate in, or in any way assist or facilitate any other person to effect or seek, offer or propose (whether publicly or otherwise) to effect or participate in any merger or business combination with the Company or Change in Control Transaction;

(vi) call or seek to call a meeting of the stockholders of the Company or initiate any stockholder proposal for action by stockholders of the Company;

(vii) enter into any discussions, negotiations, arrangements or understandings with any other person with respect to any of the foregoing activities;

(viii) advise, assist, knowingly encourage, act as a financing source for or otherwise invest in any other person in connection with any of the foregoing activities;

(ix) make any proposal or disclose any plan or arrangement inconsistent with the purpose and intent of this Section 3;

(x) unless required by law, make or issue or cause to be made or issued any public disclosure, announcement or statement (including without limitation the filing of any document or report with the SEC or any other governmental agency or any disclosure to any journalist, member of the media or securities analyst) in support of or concerning any of the foregoing provisions of this Section 3);

(xi) with respect to any of the foregoing provisions of this Section 3, publicly request the Company to amend or waive any such provisions or otherwise consent to any action inconsistent with any such provisions; or

(xii) bring any action or otherwise act to contest the validity of this Section 3.

3.2 Notwithstanding the foregoing restrictions set forth in Section 3.1, the Stockholder may (a) make a proposal to a committee of the Board comprised entirely of Independent Directors with respect to any transaction described in paragraphs (i) through (v) above, so long as such proposal is not publicly disclosed, and (b) the members of the board of directors of Stockholder or its Affiliates shall be permitted to communicate on a confidential basis with the Independent Directors regarding any matter related to such proposal, including potential transactions between Stockholder (or its Affiliates) and the Company and potential waivers or amendments to the terms of this Agreement.

3.3 Rule 13e-3 Transaction. During the period commencing on the Effective Date and ending on the date that is twenty-four (24) months after the Effective Date, subject to the terms of this Agreement, the Company shall not enter into, the Board shall not cause the Company to enter into, and the Stockholder shall not (and shall cause its Affiliates not to) participate in, directly or indirectly, any transaction that is a Rule 13e-3 transaction under the Exchange Act (a "Rule 13e-3 Transaction"), unless the consummation of such Rule 13e-3 Transaction shall be subject to and contingent upon the receipt of

(i) the approval of a fully empowered committee of the Board comprised entirely of Independent Directors; and

(ii) if (A) such Rule 13e-3 Transaction constitutes or would otherwise constitute a Change in Control Transaction and (B) such Rule 13e-3 Transaction requires the approval or consent of the stockholders of the Company pursuant to applicable law, then in addition to the approval or consent described in clause (B) above, the approval or adoption thereof by the holders of a majority of the voting power of the issued and outstanding shares of capital stock of the Company (excluding any Voting Shares owned or held by the Stockholder or its Affiliates), *provided* that the vote requirement set forth in this Section 3.3(ii) may be waived by the majority of the committee referenced in Section 3.3(i).

3.4 No Short-Form Merger. During the period commencing on the Effective Date and ending on the date that is twenty-four (24) months after the Effective Date, Stockholder shall not, and shall cause its Affiliates not to, effect any merger of the Company pursuant to Section 253 of the Delaware General Corporation Law without obtaining the prior approval of a fully empowered committee of the Board comprised entirely of Independent Directors, irrespective of the voting power represented by the Voting Shares owned or held (beneficially or otherwise) or controlled by the Stockholder.

4. Representations and Warranties.

4.1 Representations and Warranties of the Company. The Company represents and warrants to the Stockholder that (a) the Company is a corporation duly organized, validly existing and in good standing under the laws of the State of Delaware and has the corporate power and authority to enter into this Agreement and to carry out its obligations hereunder, (b) the execution and delivery of this Agreement by the Company and the consummation by the Company of the transactions contemplated hereby have been duly authorized by all necessary corporate action on the part of the Company and no other corporate proceedings on the part of the Company are necessary to authorize this Agreement or any of the transactions contemplated hereby, and (c) this Agreement has been duly executed and delivered by the Company and, assuming the due execution and delivery thereof by the other parties, constitutes a valid and binding obligation of the Company, and is enforceable against the Company in accordance with its terms, except as such enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting the rights of creditors generally.

4.2 Representations and Warranties of the Stockholder. The Stockholder represents and warrants to the Company that (a) it and each of its Affiliates, as applicable, is an entity duly organized or formed, validly existing and in good standing under the laws of the jurisdiction of its organization or formation and has the entity power and authority to enter into this Agreement and to carry out its obligations hereunder, (b) the execution and delivery of this Agreement by the Stockholder and the consummation by the Stockholder of the transactions contemplated hereby have been duly authorized by all necessary entity action on the part of the Stockholder and no other entity proceedings on the part of the Stockholder are necessary to authorize this Agreement or any of the transactions contemplated hereby, (c) this Agreement has been duly executed and delivered by the Stockholder and, assuming the due execution and delivery thereof by the other parties, constitutes a valid and binding obligation of the Stockholder, and is enforceable against the Stockholder in accordance with its terms, except as such enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting the rights of creditors generally and (d) as of the date hereof, and immediately following the consummation of the Closing, the Stockholder and its Affiliates beneficially own 50,790,409 shares of the Common Stock, as detailed on Schedule A attached hereto.

5. Covenants; De-Listing. Until this Agreement has been terminated in accordance with its terms, (a) the Company, the Board and the Stockholder shall take all actions reasonably necessary to cause the Nominating Committee to be comprised of a majority of Independent Directors and (b) the Company, the Board and, to the extent applicable, the Stockholder, shall not authorize approve or ratify the voluntary delisting of the Common Stock from the NASDAQ stock exchange or voluntary deregistration of the Common Stock from registration under the Exchange Act, without the prior approval of a majority of the Independent Directors.

6. Joinder. From and after the expiration of the Lock-Up Period, prior to effectuating any Transfer of Voting Shares that, individually or when aggregated with other Transfers, would result in any transferee holding in excess of five percent (5%) or more of the outstanding shares of Common Stock, the Stockholder (or any subsequent transferor in accordance with the terms of this Agreement) and such transferee shall deliver to the Company, prior to such Transfer, a written joinder, in substantially the form attached as Exhibit A to this Agreement, agreeing to be bound by the terms of this Agreement as if such transferee was a Stockholder hereunder. In the event of any Transfer of Voting Shares in accordance with the terms of this Agreement, the Stockholder authorizes the Secretary of the Company to update Schedule A accordingly.

7. Miscellaneous.

7.1 Notices. Any notice, request, claim, demand, waiver, consent, approval or other communication which is required or permitted hereunder shall be in writing and shall be deemed given (a) when delivered by hand (with written confirmation of receipt), (b) when received by the addressee if sent by a nationally recognized overnight courier postage prepaid (receipt requested), (c) on the date sent by email (with confirmation of transmission, and provided, that, unless affirmatively confirmed by the recipient as received, notice is also sent to such party under another method permitted in this Section 7.1 within two (2) business days thereafter) if sent during normal business hours of the recipient, and on the next business day if sent after normal business hours of the recipient or (d) on the third (3rd) business day after the date mailed, by certified or registered mail, return receipt requested, postage prepaid. Such communications must be sent to the respective parties at the following addresses (or at such other address for a party as shall be specified in a notice given in accordance with this Section 7.1):

If to the Company:

CompoSecure, Inc.
309 Pierce Street
Somerset, NJ 08873
Attention: Corporate Secretary
Email:

If to the Stockholder:

Resolute Compo Holdings LLC
445 Park Avenue, Suite 15F
New York, NY 10022
Attention: David M. Cote
Email:

7.2 Entire Agreement. This Agreement sets forth the entire understanding of the parties with respect to the subject matter hereof. Any and all previous agreements and understandings between or among the parties regarding the subject matter hereof, whether written or oral, are superseded by this Agreement.

7.3 Successors and Assigns. This Agreement shall be binding upon and shall inure to the benefit of the parties and their respective successors and permitted assigns. None of the parties hereto may assign its rights or obligations hereunder without the prior written consent of the other parties. Notwithstanding the foregoing, no assignment of this Agreement or any obligations thereof shall be made by the Company or the Board without first obtaining the approval of a majority of the Independent Directors. No assignment shall relieve the assigning party of any of its obligations hereunder except as expressly contemplated hereby.

7.4 Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which together shall be deemed to be one and the same agreement. A signed copy of this Agreement delivered by e-mail shall be deemed to have the same legal effect as delivery of an original signed copy of this Agreement.

7.5 Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Delaware without giving effect to any choice or conflict of law provision or rule (whether of the State of Delaware or any other jurisdiction) that would cause or permit the application of laws of any jurisdictions other than those of the State of Delaware.

7.6 Submission to Jurisdiction; WAIVER OF JURY TRIAL. Each of the parties hereto (i) irrevocably and unconditionally submits to the exclusive personal jurisdiction of the Court of Chancery of the State of Delaware, or, if that court does not have jurisdiction, a federal court sitting in Wilmington, Delaware (and in each case, any appellate courts thereof) in any action or proceeding arising out of or relating to this Agreement, (ii) agrees that all claims in respect of such action or proceeding may be heard and determined in any such court, (iii) irrevocably and unconditionally agrees that it shall not attempt to deny or defeat such personal jurisdiction by motion or other request for leave from any such court and (iv) agrees not to bring any action or proceeding arising out of or relating to this Agreement in any other court. Each party agrees that a final judgment in any such action or proceeding shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by law. Each of the parties hereto irrevocably and unconditionally waives any defense of inconvenient forum to the maintenance of any action or proceeding so brought and waives any bond, surety or other security that might be required of any other party with respect thereto. Any party hereto may make service on another party by sending or delivering a copy of the process to the party to be served at the address and in the manner provided for the giving of notices in Section 7.1. Nothing in this Section 7.6, however, shall affect the right of any party to serve legal process in any other manner permitted by law. EACH PARTY HEREBY IRREVOCABLY AND UNCONDITIONALLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY LAW, ANY AND ALL RIGHT TO TRIAL BY JURY IN ANY ACTION, PROCEEDING OR COUNTERCLAIM (WHETHER BASED ON CONTRACT, TORT OR OTHERWISE) ARISING OUT OF OR RELATING TO THIS AGREEMENT OR THE ACTIONS OF ANY PARTY IN THE NEGOTIATION, ADMINISTRATION, PERFORMANCE AND ENFORCEMENT THEREOF. EACH PARTY (A) MAKES THIS WAIVER VOLUNTARILY AND (B) ACKNOWLEDGES THAT SUCH PARTY HAS BEEN INDUCED TO ENTER INTO THIS AGREEMENT BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS CONTAINED IN THIS SECTION 7.6.

7.7 Specific Performance. Each party acknowledges that the other parties will be irreparably harmed and that there will be no adequate remedy at law for any violation by any party of any of the covenants or agreements contained in this Agreement. It is accordingly agreed that, in addition to any other remedies which may be available upon the breach of any such covenants or agreements, each party shall have the right to injunctive relief to restrain a breach or threatened breach of, or otherwise to obtain specific performance of, the other parties' covenants and agreements contained in this Agreement, in any court of the United States or any state thereof having jurisdiction over the parties and the matter, in addition to any other remedy to which it may be entitled, at law or in equity. Any party seeking an injunction or injunctions to prevent breaches of any of the covenants or agreements contained in this Agreement and to enforce specifically the terms and provisions of this Agreement shall not be required to provide any bond or other security in connection with such order or injunction.

7.8 Severability. If any provision of this Agreement or the application thereof to any person or circumstances is held by a court of competent jurisdiction or other governmental authority to be invalid or unenforceable in any jurisdiction, the remainder hereof, and the application of such provision to such person or circumstances in any other jurisdiction, shall not be affected thereby, and to this end the provisions of this Agreement shall be severable. Upon such determination by such court or other governmental authority, the parties will substitute for any invalid or unenforceable provision a suitable and equitable provision that carries out, so far as may be valid and enforceable, the intent and purpose of such invalid or unenforceable provision.

7.9 Amendment; Waiver; Termination. This Agreement may be amended by the parties at any time by execution of an instrument in writing signed on behalf of each of the parties. Any extension or waiver by any party of any provision hereto shall be valid only if set forth in an instrument in writing signed on behalf of such party. Notwithstanding the foregoing, no amendment, extension or waiver of this Agreement or any provisions thereof shall be made by the Company or the Board without first obtaining the approval of a majority of the Independent Directors. The Independent Directors shall direct enforcement of any provisions of this Agreement against the Stockholder. Any provision of this Agreement enforceable against the Stockholder may be waived only by a majority of the Independent Directors. This Agreement shall terminate upon the earliest to occur of (i) such time as the Stockholder, or any of its successors or assigns, ceases to own or hold (beneficially or otherwise) or control at least 15% of the issued and outstanding shares of Common Stock, (ii) the consummation of a Change in Control Transaction (except to the extent any party thereto is required to execute a joinder to this Agreement in accordance with Section 6), or (iii) the date on which the Independent Directors unanimously determine to terminate this Agreement.

7.10 [reserved].

7.11 Mutual Drafting. This Agreement is the mutual product of the parties, and each provision hereof has been subject to the mutual consultation, negotiation and agreement of each of the parties, and shall not be construed for or against any party.

[*Remainder of Page Intentionally Left Blank.*]

IN WITNESS WHEREOF, the parties have executed this Agreement as of the Effective Date.

COMPANY:

COMPOSECURE, INC.

By: /s/ Jonathan C. Wilk
Name: Jonathan C. Wilk
Title: Chief Executive Officer

STOCKHOLDER:

TUNGSTEN 2024 LLC

By: /s/ John Cote
Name: John Cote
Title: Manager

RESOLUTE COMPO HOLDINGS LLC
By: Tungsten 2024 LLC, its managing member

By: /s/ John Cote
Name: John Cote
Title: Manager

[*Signature Page to the Governance Agreement*]

[Schedule Omitted]

EXHIBIT A

[Form of Joinder Agreement]

JOINDER AGREEMENT

TO THE

GOVERNANCE AGREEMENT

OF

COMPOSECURE, INC.

THIS JOINDER AGREEMENT (this "Joinder") to the Governance Agreement, dated as of September 17, 2024, by and among CompoSecure, Inc. (the "Company"), Resolute Compo Holdings LLC and Tungsten 2024 LLC (as may be amended, restated or modified from time to time, the "Agreement"), is made and entered into as of [__] (the "Effective Date"), by and among the Company, the Stockholder and [__] (the "Transferee"). Capitalized terms used herein but not otherwise defined shall have the meanings set forth in the Agreement.

WHEREAS, concurrently with the execution and delivery of this Joinder, Transferee has acquired (or has offered to acquire) [__] shares of Common Stock from the Stockholder (the "Acquisition"), and such shares were, immediately prior to the effectiveness of the Acquisition, Voting Shares;

WHEREAS, the terms of the Agreement require Transferee, as a transferee of Voting Shares, to become a party to the Agreement, and Transferee desires and agrees to do so in accordance with the terms of this Joinder; and

WHEREAS, the parties to this Joinder desire to amend the Agreement as set forth in this Joinder.

NOW, THEREFORE, in consideration of the mutual covenants contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties to this Joinder hereby agree as follows:

1. Agreement to be Bound. Transferee hereby agrees that upon execution of this Joinder, Transferee shall become a party to the Agreement and shall be fully bound by, and subject to, all of the covenants, terms and conditions of the Agreement as though an original party thereto. Transferee shall be a Stockholder under the Agreement.

2. Compliance with Agreement. Transferee, the Company, and the Stockholder each hereby covenant and agree that the Acquisition has been (or shall be) consummated in accordance with Section 2.2 or 6 of the Agreement, as applicable. The foregoing covenant and agreement shall only apply to the Acquisition and not to any future Transfer of Voting Shares or Common Stock or Voting Shares, as applicable.

3. Amendment of Schedule A. The Company, the Stockholder and the Transferee acknowledge and agree that the Secretary of the Company shall update Schedule A to the Agreement to reflect the number of shares of Common Stock owned or held by Transferee.

4. Miscellaneous. The headings in this Joinder are for convenience of reference only and shall not constitute a part of this Joinder, nor shall they affect their respective meaning, construction or effect. This Joinder may be executed in separate counterparts, each of which when so executed shall be deemed to be an original and all of which taken together shall constitute one and the same instrument. Delivery of an executed counterpart of a signature page to this Joinder by facsimile or electronic transmission (including in Adobe .PDF format) shall be effective as delivery of a manually executed counterpart to this Joinder.

[*Signature Page Follows*]

IN WITNESS WHEREOF, the parties have executed this Joinder as of the Effective Date.

COMPANY:

COMPOSECURE, INC.

By: _____
Name: _____
Title: _____

STOCKHOLDER:

TUNGSTEN 2024 LLC

By: _____
Name: John Cote
Title: Manager

RESOLUTE COMPO HOLDINGS LLC
By: Tungsten 2024 LLC, its managing member

By: _____
Name: _____
Title: _____

TRANSFEREE:

[__]

By: _____
Name: _____
Title: _____

[*Signature Page to Joinder Agreement to the Governance Agreement of CompoSecure, Inc.*]

EXHIBIT 10.2

AGREEMENT TO TERMINATE
STOCKHOLDERS AGREEMENT

THIS AGREEMENT TO TERMINATE STOCKHOLDERS AGREEMENT (this "Agreement") is entered into as of September 17, 2024, by and among CompoSecure, Inc., a Delaware corporation (the "Company"), and the stockholders signatory hereto (the "Stockholders"). Each of the foregoing is referred to as a "Party" and together as the "Parties".

Recitals:

A. The Parties comprise all of the current parties to that certain Stockholders Agreement, dated as of December 27, 2021 by and among the Company and the individuals and entities signatory thereto (the "Stockholders Agreement").

B. Concurrently with the execution of this Agreement, the Stockholders have entered into separate stock purchase agreements (the "Stock Purchase Agreements") pursuant to which the Stockholders have agreed to sell certain shares of Class A Common Stock, par value $0.0001 per share, of the Company to Tungsten 2024 LLC, subject to certain conditions to the closing of such stock sales (the "Closing").

C. Effective as of the Closing, the Parties desire to terminate the Stockholders Agreement.

Agreements:

NOW, THEREFORE, in consideration of the promises and the mutual covenants and agreements contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties, intending to be legally bound, agree as follows:

1. Termination of Stockholders Agreement. The Parties acknowledge and agree that the Stockholders Agreement is hereby terminated subject to, contingent on, and effective as of the Closing, and all rights and obligations of the Parties under the Stockholders Agreement are hereby terminated subject to, contingent on, and effective as of the Closing.

2. Further Assurances. The Parties agree to execute any and all documents and writings which may be reasonably requested by any Party and/or necessary to effectuate this Agreement.

3. Termination of this Agreement. If the Stock Purchase Agreements are terminated prior to the Closing, this Agreement shall automatically terminate concurrently therewith.

4. Headings. Section and other headings contained in this Agreement are for reference purposes only and are not intended to describe, interpret, define or limit the scope, extent or intent of this Agreement or any provision hereof.

5. Counterparts. This Agreement may be executed and delivered (including by facsimile transmission or other means of electronic transmission, such as by electronic mail in "pdf" form) in counterparts, and by the different Parties in separate counterparts, each of which when executed shall be deemed to be an original but all of which taken together shall constitute one and the same agreement.

6. Governing Law. This Agreement, the rights and duties of the parties hereto, and any disputes (whether in contract, tort or statute) shall be governed by and construed and enforced in accordance with the internal laws of the State of Delaware without giving effect to any choice or conflict of law provision or rule (whether of the State of Delaware or any other jurisdiction) that would cause the application of laws of any jurisdiction other than those of the State of Delaware.

7. Entire Agreement. This Agreement sets forth the entire understanding of the Parties hereto relating to the subject matter hereof and supersedes all prior agreements and understandings among or between any of the Parties relating to the subject matter hereof.

[Signature Page Follows]

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the date first written above.

COMPANY:

COMPOSECURE, INC.

By: /s/ Jonathan C. Wilk
Name: Jonathan C. Wilk
Title: Chief Executive Officer

STOCKHOLDERS:

LLR EQUITY PARTNERS IV, L.P.

By: LLR Capital IV, L.P., its general partner

By: LLR Capital IV, LLC, its general partner

By: /s/ Mitchell Hollin
Name: Mitchell Hollin
Title: Member

LLR EQUITY PARTNERS PARALLEL IV, L.P.

By: LLR Capital IV, L.P., its general partner

By: LLR Capital IV, LLC, its general partner

By: /s/ Mitchell Hollin
Name: Mitchell Hollin
Title: Member

[Signature Page to Agreement to Terminate Stockholders Agreement]

EPHESIANS 3:16 HOLDINGS LLC

By: /s/ Michele D. Logan
Name: Michele D. Logan
Title: Manager

/s/ Michele D. Logan
Michele D. Logan

[Signature Page to Agreement to Terminate Stockholders Agreement]

For Immediate Release

Resolute Holdings Completes Acquisition of Majority Interest in CompoSecure

CompoSecure announces board changes with David Cote, former CEO of Honeywell, as executive chairman as well as the appointment of five new board members

New York, NY and Somerset, NJ, September 17, 2024 – Resolute Holdings I, LP and its affiliated vehicles ("Resolute"), an investment firm under the leadership of David Cote and Tom Knott, and CompoSecure, Inc. (Nasdaq: CMPO) ("CompoSecure") today announced the closing of Resolute's acquisition of a majority interest in CompoSecure in accordance with the stock purchase agreements among Resolute and certain shareholders of CompoSecure. In conjunction with the closing, David Cote has been appointed executive chairman of the board of directors of CompoSecure and Tom Knott, Joseph DeAngelo, Roger Fradin, Mark James, and John Cote have also been appointed to the board of directors.

Pursuant to the stock purchase agreements, the selling shareholders exchanged the entirety of their Class B units for Class A shares and Resolute has now acquired 49.3 million Class A shares, representing approximately 60% of CompoSecure's outstanding shares. The transaction, valued at approximately $372 million, was completed on September 17, 2024.

David Cote and Tom Knott said, "We are excited to begin working with Jon Wilk and the team at CompoSecure to continue driving long-term value for shareholders. We plan to focus our efforts on enhancing the Company's organic growth and operational efficiency while evaluating ways to further diversify its customer base and business mix through M&A. The Company's permanent capital base eliminates the duration and transactional constraints of traditional alternative asset structures and can allow it to become the acquiror of choice for companies in need of operational improvement and M&A expertise."

"I'm delighted that David Cote has become executive chairman of the board. His leadership with global public companies, including Honeywell and Vertiv, will be a tremendous asset as we move into a new chapter of our growth story," said Jon Wilk, President and CEO of CompoSecure. "I'd also like to welcome all our new board members. We are confident that their addition to the board of directors will provide invaluable guidance as we execute on our strategic vision."

New Board Members

- **David Cote**: Mr. Cote is a world-renowned executive, joins as the executive chairman of the board, bringing 40+ years of operating experience across a wide range of industrial sectors. He was chairman and CEO of Honeywell from 2002-2017. Mr. Cote was also the former chairman and CEO of TRW, a global automotive, aerospace and information systems company, and during his distinguished career served as CEO of GE. He is currently the executive chairman of Vertiv (NYSE: VRT).

- **Tom Knott**: Mr. Knott was CEO of Goldman Sachs Acquisition Holdings I ("GSAH I") and Goldman Sachs Acquisition Holdings II ("GSAH II"). Mr. Knott led GSAH I from its initial public offering in June 2018 to its merger with Vertiv (NYSE: VRT) in February 2020. He also led all aspects of Goldman Sachs' co-sponsorship of GSAH II from its initial public offering in June 2020 to its merger with Mirion Technologies, a provider of nuclear measurement and detection systems, in October 2021.

- **Joesph J DeAngelo**: Mr. DeAngelo served as chairman of the board, president and chief executive officer of HD Supply Holdings, Inc., one of the largest industrial distributors in North America. He previously served as executive vice president of The Stanley Works, a tool manufacturing company, and was president and chief executive officer of General Electric TIP/Modular Space, a division of General Electric Capital.

- **Roger Fradin**: Mr. Fradin served as president and chief executive officer of Honeywell's Automation and Control Solutions business from January 2004 to April 2014. Mr. Fradin served as Vice Chairman of Honeywell from April 2014 until his retirement in February 2017. Mr. Fradin has served as a director of Vertiv (NYSE: VRT) since February 7, 2020.

- **Mark James**: Mr. James previously served as the chief human resources officer (CHRO) of Honeywell leading 135,000 employees in more than 100 countries. Prior to becoming CHRO, Mr. James held multiple roles at Honeywell including vice president of Human Resources and Communications for Honeywell Aerospace and Honeywell Aerospace Electronic Systems. Mr. James is currently the president of Mark James Enterprises, his own executive consulting business.

- **John Cote**: John Cote is a managing partner and founder of SRM Equity Partners, LLC. He was previously the chief executive officer of Industrial Inspection & Analysis, Inc. John brings a background in investment banking from his years at J.P. Morgan where he worked on equity, debt, and M&A transactions in the Natural Resources Coverage group, and where he was a member of the Corporate Client Banking strategy team.

Today's announcement expands the board of directors to a total of 11 members.

The Company wishes to also acknowledge the departure of two long-standing board members, Mitchell Hollin, of LLR Partners and former chairman of the CompoSecure board, and Michele Logan, co-founder of CompoSecure, as part of the transaction.

Mr. Wilk added: "For the past nine years Mitchell Hollin has played a pivotal role in shaping the Company's trajectory and we are grateful for his significant contributions during his time on the board. I'd also like to extend my heartfelt gratitude to our co-founder, Michele Logan, who continues to be a significant shareholder in CompoSecure with a legacy that will always be an essential part of our foundation and ongoing growth."

About Resolute Holdings

Resolute Holdings is an investment firm, led by Dave Cote, former CEO of Honeywell International, Inc. ("Honeywell") and current Executive Chairman of Vertiv Holdings Co ("Vertiv"), and Tom Knott, former Head of Permanent Capital Strategies at The Goldman Sachs Group, Inc. ("Goldman Sachs"). Mr. Cote and Mr. Knott formed Resolute Holdings to invest in businesses that can benefit from the systematic deployment of the operating system Mr. Cote has developed over his career.

Mr. Cote brings over 40 years of operating experience across a wide range of industrial sectors with a proven track record of delivering outsized shareholder value through disciplined portfolio management and accretive M&A. Mr. Cote completed approximately 170 M&A transactions during his tenure as CEO of Honeywell and as current Executive Chairman at Vertiv.

Mr. Knott was formerly the Head of Permanent Capital Strategies in the Asset Management Division of Goldman Sachs and was also CEO of GS Acquisition Holdings Corp and GS Acquisition Holdings Corp II, respectively bringing public both Vertiv and Mirion Technologies, Inc. Mr. Knott brings over 14 years of investing experience across a wide range of sectors.

About CompoSecure

Founded in 2000, CompoSecure is a technology partner to market leaders, fintech's and consumers enabling trust for millions of people around the globe. The company combines elegance, simplicity and security to deliver exceptional experiences and peace of mind in the physical and digital world. CompoSecure's innovative payment card technology and metal cards with Arculus security and authentication capabilities deliver unique, premium branded experiences, enable people to access and use their financial and digital assets, and ensure trust at the point of a transaction. For more information, please visit www.CompoSecure.com and www.GetArculus.com.

Forward-Looking Statements

This press release contains forward-looking statements as defined by the Private Securities Litigation Reform Act of 1995. These statements are based on the beliefs and assumptions of management of CompoSecure or Resolute Holdings, as applicable. Although CompoSecure and Resolute Holdings, as applicable, believe that the plans, intentions, and expectations reflected in or suggested by these forward-looking statements are reasonable, CompoSecure, Resolute Holdings and their affiliates cannot assure you that these plans, intentions, or expectations will be achieved or realized. Forward-looking statements are inherently subject to risks, uncertainties, and assumptions. Generally, statements that are not historical facts, including statements concerning CompoSecure's or Resolute Holdings' possible or assumed future actions, business strategies, events, or results of operations, are forward-looking statements. In some instances, these statements may be preceded by, followed by or include the words "believes," "estimates," "expects," "projects," "forecasts," "may," "will," "should," "seeks," "plans," "scheduled," "anticipates" or "intends" or the negatives of these terms or variations of them or similar terminology. Forward-looking statements are not guarantees of performance. You should not put undue reliance on these statements which speak only as of the date hereof. You should understand that the following important factors, among others, could affect CompoSecure's future results and could cause those results or other outcomes to differ materially from those expressed or implied in these forward-looking statements: the ability of CompoSecure to diversify its business and customer base and to achieve enhancements in organic growth and operational efficiency, including for any future acquired companies; the ability of CompoSecure to create value for its shareholders and generate robust free cash flow; the ability of CompoSecure to grow and manage growth profitably, maintain relationships with customers, compete within its industry and retain its key employees; the possibility that CompoSecure may be adversely impacted by other global economic, business, competitive and/or other factors; the outcome of any legal proceedings that may be instituted against CompoSecure, Resolute Holdings or their affiliates or others; future exchange and interest rates; and other risks and uncertainties, including those under "Risk Factors" in filings that have been made or will be made with the Securities and Exchange Commission. CompoSecure and Resolute Holdings undertake no obligations to update or revise publicly any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law.

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