As filed with the United States Securities and Exchange Commission on March 26, 2021.

Registration No.

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM S-1
REGISTRATION STATEMENT
UNDER
THE SECURITIES ACT OF 1933

ASCEND WELLNESS HOLDINGS, LLC

(Exact name of registrant as specified in its charter)

Delaware	**2833**	**83-0602006**
(State or other jurisdiction of incorporation or organization)	**(Primary Standard Industrial Classification Code Number)**	**(I.R.S. Employer Identification Number)**

1411 Broadway
16th Floor
New York, NY 10018
(781) 703-7800
(Address, including zip code, and telephone number, including area code, of registrant's principal executive offices)

Daniel Neville
1411 Broadway
16th Floor
New York, NY 10018
(781) 703-7800
(Name, address, including zip code, and telephone number, including area code, of agent for service)

As soon as practicable after this Registration Statement becomes effective.
(Approximate date of commencement of proposed sale to the public)

Copies to:

James Guttman
Dorsey & Whitney LLP
TD Canada Trust Tower
Brookfield Place, 161 Bay Street, Suite 4310
Toronto, Ontario
Canada, M5J 2S1
(416) 267-7376

If any of the securities being registered on this Form are to be offered on a delayed or continuous basis pursuant to Rule 415 under the Securities Act of 1933, check the following box: ☐

If this Form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. ☐

If this Form is a post-effective amendment filed pursuant to Rule 462(c) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. ☐

If this Form is a post-effective amendment filed pursuant to Rule 462(d) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	☐	Smaller reporting company	☐
Accelerated filer	☐	Emerging growth company	☒
Non-accelerated filer	☒		

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 7(a)(2)(B) of the Securities Act. ☐

CALCULATION OF REGISTRATION FEE

Title of Each Class of Securities to be Registered	Proposed Maximum Aggregate Offering Price [(1)]	Amount of Registration Fee
Class A Common Stock, $ par value per share	$125,000,000	$13,638

(1) Estimated solely for the purpose of calculating the amount of the registration fee in accordance with Rule 457(o) under the Securities Act. Includes the offering price of shares that the underwriters have an over-allotment option to purchase.

WE HEREBY AMEND THIS REGISTRATION STATEMENT ON SUCH DATE OR DATES AS MAY BE NECESSARY TO DELAY ITS EFFECTIVE DATE UNTIL WE SHALL FILE A FURTHER AMENDMENT WHICH SPECIFICALLY STATES THAT THIS REGISTRATION STATEMENT SHALL THEREAFTER BECOME EFFECTIVE IN ACCORDANCE WITH SECTION 8(a) OF THE SECURITIES ACT, OR UNTIL THE REGISTRATION STATEMENT SHALL BECOME EFFECTIVE ON SUCH DATE AS THE SECURITIES AND EXCHANGE COMMISSION, ACTING PURSUANT TO SAID SECTION 8(a), MAY DETERMINE.

EXPLANATORY NOTE

Ascend Wellness Holdings, LLC, or "**AWH**", the registrant whose name appears on the cover of this registration statement, is a Delaware limited liability company. Immediately prior to the effectiveness of this registration statement, AWH will convert into a Delaware corporation and change its name to "Ascend Wellness Holdings, Inc." We refer to this conversion throughout the prospectus included in this registration statement as the "**Conversion**." As a result of the Conversion, the members of AWH will become holders of shares of stock of AWH. Except as disclosed in the prospectus, the consolidated financial statements and selected consolidated financial data and other financial information included in this registration statement are those of AWH and its subsidiaries and do not give effect to the Conversion. Shares of the Class A common stock of Ascend Wellness Holdings, Inc. are being offered by the prospectus included in this registration statement.

The information in this preliminary prospectus is not complete and may be changed. These securities may not be sold until the registration statement filed with the Securities and Exchange Commission is effective. This preliminary prospectus is not an offer to sell nor does it seek an offer to buy these securities in any jurisdiction where the offer or sale is not permitted.

PRELIMINARY PROSPECTUS (Subject to Completion) **Dated , 2021**

Ascend Wellness Holdings, Inc.

Class A Common Stock

This is an initial public offering of shares of Class A common stock of Ascend Wellness Holdings, Inc. We are offering shares of Class A common stock.

Prior to this offering, there has been no public market for our Class A common stock. It is currently estimated that the initial public offering price per share of common stock will be between $ and $. For a detailed description of our Class A common stock, see "*Description of Capital Stock.*"

We have applied to list our Class A common stock on the Canadian Securities Exchange (the "**CSE**") and to have our Class A common stock quoted on the OTCQX® Best Market operated by OTC Markets Group, Inc. (the "**OTCQX**"). Listing and quotation of our Class A common stock will be subject to us fulfilling all of the listing requirements of the CSE and OTCQX, respectively.

Following this offering, we will have two classes of common stock, Class A common stock and Class B common stock. The rights of the holders of Class A common stock and Class B common stock will be identical, except for voting and conversion rights. Each share of Class A common stock will be entitled to one vote per share. Each share of Class B common stock will be entitled to votes per share and will be convertible at any time into one share of Class A common stock at the option of the holder. Following this offering, outstanding shares of Class B common stock will represent approximately % of the voting power of our outstanding capital stock. See "*Description of Capital Stock.*"

We are an emerging growth company under federal securities laws and are subject to reduced public company reporting requirements for this prospectus and our future filings. See "*Implications of Being an Emerging Growth Company.*"

Investing in our common stock involves a high degree of risk. We refer you to the section entitled "*Risk Factors*" on page 12 of this prospectus.

	Per Share	Total
Initial Public Offering Price		
Underwriting discount and commissions [(1)]		
Proceeds, before expenses, to us		

[(1)] We have agreed to reimburse the underwriters for certain expenses in connection with this offering. See "*Underwriters.*"

We have granted the underwriters an option for a period of 30 days following the date of this prospectus to purchase up to an additional shares of Class A common stock at the initial offering price less the discount solely to cover over-allotments, if any. If the underwriters exercise the option in full, the total underwriting discounts and commission payable by us will be $, and the total proceeds to us, before expenses, will be $. See "*Underwriters.*"

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined if this prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

The underwriters expect to deliver the shares of Class A common stock against payment in on , 2021.

Canaccord Genuity

The date of this prospectus is , 2021.

BETTERING YOUR LIFE WITH CANNABIS.

SUBSTANTIAL ASSET BASE TO COME ONLINE IN 2021

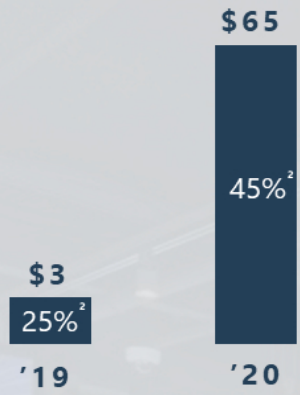
REVENUE
(US$ MILLION)

'19 $12

'20 $144

11x GROWTH

ADJ.GROSS PROFIT[1]
(US$ MILLION)



FLAGSHIP RETAIL ASSETS

WE GO DEEP, NOT WIDE
Focus on scaled vertical operations in key limited license markets east of the Rockies

WE EXECUTE
Strong allocators of capital with focus on growth and profitability

OUR LOCATIONS
Strategically located flagship locations with an established Ascend brand and omni-channel customer experience

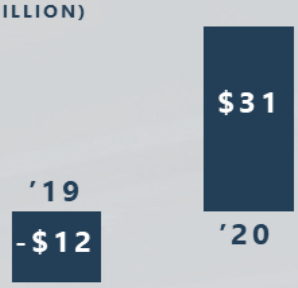
1. Adjusted Gross Profit is a Non-GAAP measure. Please refer to "Management's Discussions and Analysis – Non GAAP Financial Measures" for the definition of Adjusted Gross Profit and a reconciliation of Adjusted Gross Profit to the most directly comparable GAAP measure.
2. Adjusted Gross Margin is calculated by dividing Adjusted Gross Profit by Revenue. Please refer to "Management's Discussions and Analysis – Non GAAP Financial Measures" for the definition of Adjusted Gross Profit and a reconciliation of Adjusted Gross Profit to the most directly comparable GAAP measure

TOP TIER OPERATOR

PROVEN M&A STRATEGY

SIGNIFICANT GROWTH IN JUST UNDER 3 YEARS

ADJ. EBITDA[3]
(US$ MILLION)



21.4%
2020 ADJ. EBITDA MARGIN[4]

OUR GOALS

INDUSTRY LEADING GROWTH IN 2021

DISCIPLINED CAPITAL ALLOCATION

BEST IN CLASS RETAIL EXECUTION

BECOME TOP PERFORMING MSO

3. Adjusted EBITDA is a Non-GAAP measure. Please refer to "Management's Discussions and Analysis – Non GAAP Financial Measures" for the definition of Adjusted EBITDA and a reconciliation of Adjusted EBITDA to the most directly comparable GAAP measure.
4.Adjusted EBITDA Margin is calculated by dividing Adjusted EBITDA by Revenue. Please refer to "Management's Discussions and Analysis – Non GAAP Financial Measures" for the definition of Adjusted EBITDA and a reconciliation of Adjusted EBITDA to the most directly comparable GAAP measure.

RAPIDLY SCALING FOOTPRINT

IN TOP U.S. MARKETS

LEADING POSITION ACROSS OUR MARKETS

- LANSING *(PLANNED CULTIVATION/PROCESSING)*
- ANN ARBOR *(RETAIL)*
- MORENCI *(RETAIL)*
- DETROIT *(RETAIL)*
- BATTLE CREEK *(RETAIL)*
- LANSING *(PLANNED RETAIL)*

MI

- ATHOL *(CULTIVATION/PROCESSING)*
- BOSTON *(PLANNED RETAIL)*
- NEWTON *(PLANNED RETAIL)*
- NEW BEDFORD *(PLANNED RETAIL)*

MA

- UTICA *(CULTIVATION/PROCESSING)*
- SYRACUSE *(RETAIL)*
- BUFFALO *(RETAIL)*
- LAKE SUCCESS *(RETAIL)*
- 5TH AVENUE *(RETAIL)*

NY[1]

- FRANKLIN *(CULTIVATION/PROCESSING)*
- MONTCLAIR *(RETAIL)*
- PARAMUS *(PLANNED RETAIL)*
- FORT LEE *(PLANNED RETAIL)*

NJ

- MONROE *(CULTIVATION/PROCESSING)*
- CARROLL *(RETAIL)*

OH[2]

- BARRY *(CULTIVATION/PROCESSING)*
- RIVER NORTH *(RETAIL)*
- LOGAN SQUARE *(RETAIL)*
- SPRINGFIELD - ADAMS ST. *(RETAIL)*
- SPRINGFIELD - HORIZON DRIVE *(RETAIL)*
- COLLINSVILLE *(RETAIL)*
- MIDWAY *(RETAIL)*
- FAIRVIEW HEIGHTS *(RETAIL)*
- CHICAGO RIDGE *(PLANNED RETAIL)*

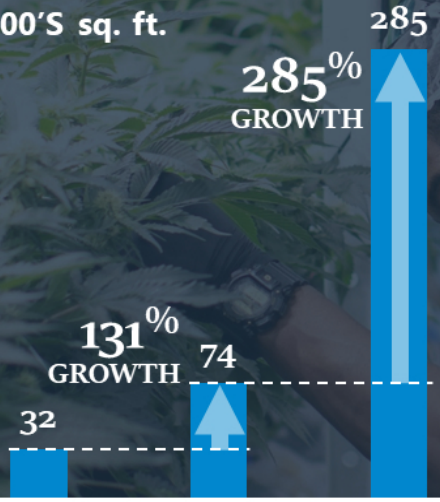
IL[3]

DISPENSARIES[4]

No. of Locations

CANOPY[4]

000'S sq. ft.



Jan 2020A Current Pipeline Jan 2020A Current Pipeline

1. We are not certain when or if such transaction will be consummated as remains subject to regulatory approval in all respects. 2. Currently under agreements to acquire, though we are not certain when or if such transactions will be consummated, as each remains subject to regulator approvals in all respects 3. On December 14, 2020, the Company entered into a definitive agreement to acquire Midway Dispensary. The transaction remains subject to regulatory approval and satisfaction of other customary closing conditions. 4. Future dispensaries and cultivation numbers excludes investment in New York

DELIVERING BEST-IN-CLASS RETAIL EXPERIENCES

HIGH VOLUME DOORS

FLEXIBLE, CONVENIENT EXPERIENCES

CUSTOMER RETENTION

SELECT COLLINSVILLE STORE STATS:

1,262
CUSTOMERS SERVED DAILY

>90%[1]
ORDERS PLACED AHEAD

$10,893
AVERAGE DAILY SALES / SQ.FT

$133
AVERAGE BASKET SIZE

Note: All data based on Q4 2020 metrics for Collinsville store in Illinois.
1. Based on Q4 2020 recreational sale orders.


TABLE OF CONTENTS

ABOUT THIS PROSPECTUS

This prospectus is a part of a registration statement on Form S-1 that we filed with the U.S. Securities and Exchange Commission (the "**SEC**"), under the Securities Act of 1933, as amended (the "**Securities Act**"). You should read this prospectus together with additional information described under "*Where You Can Find Additional Information*."

We have not authorized anyone to provide you with information other than that contained in this prospectus. We take no responsibility for, and can provide no assurance as to the reliability of, any other information that others may give to you. The information contained in this prospectus is accurate only as of the date of this prospectus, regardless of the time of delivery of this prospectus.

We are offering to sell, and seeking offers to buy, shares of Class A common stock only in jurisdictions where offers and sales are permitted. We have not taken any action to permit a public offering of our shares of Class A common stock or the possession or distribution of this prospectus in any jurisdiction where action for that purpose is required, other than the United States and Canada. You are required to inform yourselves about and to observe any restrictions relating to this offering and the distribution of this prospectus.

Unless otherwise indicated, information contained in this prospectus concerning our industry and the markets in which we operate, including our general expectations and market position, market opportunity and market share, is based on information from our own management estimates and research, as well as from industry and general publications and research, surveys and studies conducted by third parties. Actual outcomes may vary materially from those forecasts in the reports or publications referred to herein. Management estimates are derived from publicly available information, our knowledge of our industry and assumptions based on such information and knowledge, which we believe to be reasonable. In addition, assumptions and estimates of our and our industry's future performance are necessarily subject to a high degree of uncertainty and risk due to a variety of factors, including those described in "*Risk Factors.*" These and other factors could cause our future performance to differ materially from our assumptions and estimates. See "*Cautionary Note Regarding Forward-Looking Statements.*"

Solely for convenience, trademarks and trade names referred to in this prospectus may appear without the ® and ™ symbols, but those references are not intended to indicate, in any way, that we will not assert, to the fullest extent under applicable law, our rights, or that the applicable owner will not assert its rights, to these trademarks and tradenames.

Unless the context otherwise requires, the terms "**we**," "**us**," "**our**", "**AWH**" or the "**Company**" as used in this prospectus refer to Ascend Wellness Holdings, Inc., together with its wholly-owned subsidiaries.

Unless otherwise indicated, all references to "**$**" or "**US$**" in this prospectus refer to United States dollars.

IMPLICATIONS OF BEING AN EMERGING GROWTH COMPANY

As a company with less than $1.07 billion in revenue during our most recently completed fiscal year, we qualify as an "emerging growth company" as defined in Section 2(a) of the Securities Act, as modified by the Jumpstart Our Business Startups Act (the "**JOBS Act**") of 2012. As an emerging growth company, we may take advantage of specified reduced disclosure and other exemptions from requirements that are otherwise applicable to public companies that are not emerging growth companies. These provisions include:

- reduced disclosure about our executive compensation arrangements;
- exemptions from non-binding stockholder advisory votes on executive compensation or golden parachute arrangements; and
- exemption from the auditor attestation requirement in the assessment of our internal control over financial reporting.

We may take advantage of these exemptions for up to five years or such earlier time that we are no longer an emerging growth company. We would cease to be an emerging growth company if we have more than $1.07 billion in annual revenues as of the end of a fiscal year, if we are deemed to be a large-accelerated filer under the rules of the SEC or if we issue more than $1.0 billion of non-convertible debt over a three-year period.

PROSPECTUS SUMMARY

This summary highlights certain information about us, this offering and selected information contained in the prospectus. This summary is not complete and does not contain all of the information that you should consider before deciding whether to invest in our shares of common stock. For a more complete understanding of our company and this offering, we encourage you to read and consider the more detailed information included in this prospectus, including "Risk Factors" and the financial statements and related notes thereto. See "Where You Can Find Additional Information."

Overview

AWH is a vertically integrated multi-state operator focused on adult-use or near-term adult-use cannabis states in limited license markets. Our core business is the cultivation, manufacturing and distribution of cannabis consumer packaged goods, which we sell through our company-owned retail stores and to third-party licensed cannabis retail stores. We were founded in 2018 and initially pursued cultivation and dispensary licensing opportunities in Massachusetts. In December 2018, we entered the Illinois market with the acquisition of an existing cultivation facility through the acquisition of Revolution Cannabis-Barry LLC. We also acquired HealthCentral, LLC ("**HCI**") and its related entities, which owned two operational medical dispensaries in Illinois. We have since expanded our operational footprint, primarily through acquisitions and now have direct or indirect operations or financial interests in five U.S. geographic markets: Illinois, Massachusetts, Michigan, New Jersey, and Ohio.

We believe in bettering lives through cannabis. Our mission is to improve the lives of our employees, patients, customers and the communities we serve through the use of the cannabis plant. We are committed to providing safe, reliable and high-quality products and providing consumers options and education to ensure they are able to identify and obtain the products that fit their personal needs. As of March 26, 2021, we have direct or indirect operations or financial interests in five U.S. geographic markets and employ approximately 1,000 people.

Currently, approximately one third of our portfolio of cultivation and dispensary assets are generating revenue and we expect the remainder of these assets to begin generating revenue over the course of the 2021 calendar year. We are committed to being vertically integrated in every state we operate in, which entails controlling the entire supply chain from seed to sale. We are currently vertically integrated in two out of our five states with expansion plans underway to achieve vertical integration in all five states. While we have been successful in opening facilities and dispensaries, we expect continued growth to be driven by opening new operational facilities and dispensaries under our current licenses, expansion of our current facilities and increased consumer demand.

Our consumer products portfolio is generated primarily from plant material that we grow and process ourselves. We produce our consumer-packaged goods in five manufacturing facilities with 74,000 square feet of current cumulative canopy and total current capacity of 38,000 pounds annually. We are undergoing expansions at our Barry, Illinois, Lansing, Michigan and Athol, Massachusetts cultivation facilities which are expected to be completed in 2021 and we expect to build facilities in Monroe, Ohio and New Jersey in 2022. The expansions are expected to add approximately 58,000, 28,000, 37,000, 35,000 and 56,000 square feet of canopy, respectively, or a total of approximately 285,000 square feet of cumulative canopy, which is estimated to have a total production capacity of 142,000 pounds annually post build-out, assuming production and yields are in line with the performance of our current operating canopy. Our product portfolio currently consists of 102 stock keeping units ("**SKUs**"), across a range of cannabis product categories, including flower, pre-rolls, concentrates, vapes, edibles and other cannabis-related products. As of March 26, 2021, we have 13 open and operating retail locations, which we anticipate will expand to 20 locations open and operating by the end of calendar year 2021. Our new store opening plans are flexible and will ultimately depend on market conditions, local licensing, construction and other regulatory permissions. All of our expansion plans are subject to capital allocation decisions, the evolving regulatory environment and the COVID-19 pandemic. See "*Cautionary Note Regarding Forward-Looking Statements.*"

Corporate Information

We were originally formed as Ascend Group Partners, LLC on May 15, 2018 as a Delaware limited liability company. We changed our name to "Ascend Wellness Holdings, LLC" on September 10, 2018. Prior to the effectiveness of the registration statement of which this prospectus forms a part, we will convert into a Delaware corporation pursuant to a statutory conversion and be renamed "Ascend Wellness Holdings, Inc." See "*Corporate Conversion and Corporate Structure*."

Our principal executive offices are located at 1411 Broadway, 16th Floor, New York, NY 10018. Our telephone number is (781) 703-7800. Our website address is www.awholdings.com. The information contained on our website or connected to our website is not incorporated by reference into and should not be considered part of this prospectus.

Corporate Conversion and Corporate Structure

Immediately prior to the effectiveness of the registration statement of which this prospectus forms a part, we will engage in the following transactions, which we refer to collectively as the "Conversion":

- we will convert from a Delaware limited liability company to a Delaware corporation by filing a certificate of conversion with the Delaware Secretary of State; and
- we will change our name from "Ascend Wellness Holdings, LLC" to "Ascend Wellness Holdings, Inc."

As part of the Conversion:

- we will create two classes of authorized common stock, Class A common stock and Class B common stock;

- holders of Series Seed Preferred and Series Seed Preferred+ Units of AWH will receive one share of Class A common stock of Ascend Wellness Holdings, Inc. for each unit of Series Seed Preferred and Series Seed Preferred+ Units held immediately prior to the Conversion;
- holders of Real Estate Preferred Units of AWH will receive, for each unit of Real Estate Preferred Units of AWH, a number of shares of Class A common stock of Ascend Wellness Holdings, Inc. equal to (x) one plus (y) (A) the original purchase price of such Real Estate Preferred Unit multiplied by 1.5, divided by (B) the price at which we are offering Class A common stock pursuant to this offering;
- holders of common units of AWH will receive one share of Class A common stock of Ascend Wellness Holdings, Inc. for each common unit held immediately prior to the Conversion;
- holders of restricted common units issued under the 2020 Incentive Plan (as defined below) will receive one share of Class A common stock of Ascend Wellness Holdings, Inc. for each restricted common unit held immediately prior to the Conversion;
- holders of convertible notes will convert into shares of Class A common stock in accordance with the terms of the note purchase agreement, dated June 12, 2019, between the Company and the purchasers of the convertible notes (the "**2019 Convertible Notes**"). The holders of 2019 Convertible Notes will receive a number of shares of Class A common stock equal to the outstanding principal and accrued and unpaid interest under the notes divided by a price per share equal to the lesser of (a) (i) a 20% of a discount to the price per share of Class A common stock offered pursuant to this offering in the event the offering occurs on or before 12 months from the closing date; (ii) a 25% of a discount to the price per share of Class A common stock offered pursuant to this offering in the event the offering occurs after 12 months from the closing date, but before the maturity date; and (b) , which represents the price per share resulting from a pre-money valuation of the company of $295,900,000;
- holders of convertible notes will convert into shares of Class A common stock in accordance with the terms of the note purchase agreement, dated January 6, 2021, between the Company and the purchasers of the convertible notes (the "**2021 Convertible Notes**"). The holders of 2021 Convertible Notes will receive a number of shares of Class A common stock equal to the outstanding principal and accrued and unpaid interest under the notes divided by a price per share equal to the lesser of (a) (i) a 20% of a discount to the price per share of Class A common stock offered pursuant to this offering in the event the offering occurs

on or before 12 months from the closing date; (ii) a 25% of a discount to the price per share of Class A common stock offered pursuant to this offering in the event the offering occurs after 12 months from the closing date, but before the maturity date; and (b) $3.00 per share of Class A common stock.

- holders of warrants to acquire 7,062,285 common units of AWH at an exercise price of $2.00 per share will receive warrants to acquire an equal number of shares Class A common stock; and
- AGP Partners, LLC, a Delaware limited liability company ("AGP"), will receive shares of Class B common stock, which will constitute all of the outstanding shares of Class B common stock of AWH.

Prior to the Conversion, we expect holders of warrants to acquire 2,187,500 common units of AWH at an exercise price of $1.60 per unit to exercise their warrants and acquire common units of the Company. Pursuant to the terms of such warrants, if the warrants are not exercised prior to the completion of the offering, the warrants will expire and no longer be exercisable upon the completion of the offering. Additionally, the terms of the warrants permit the holders to exercise the warrants via cashless exercise. If the holders choose to exercise via cashless exercise, the holders will acquire 1,312,500 common units of AWH. However, there is no assurance that the holders will exercise the warrants.

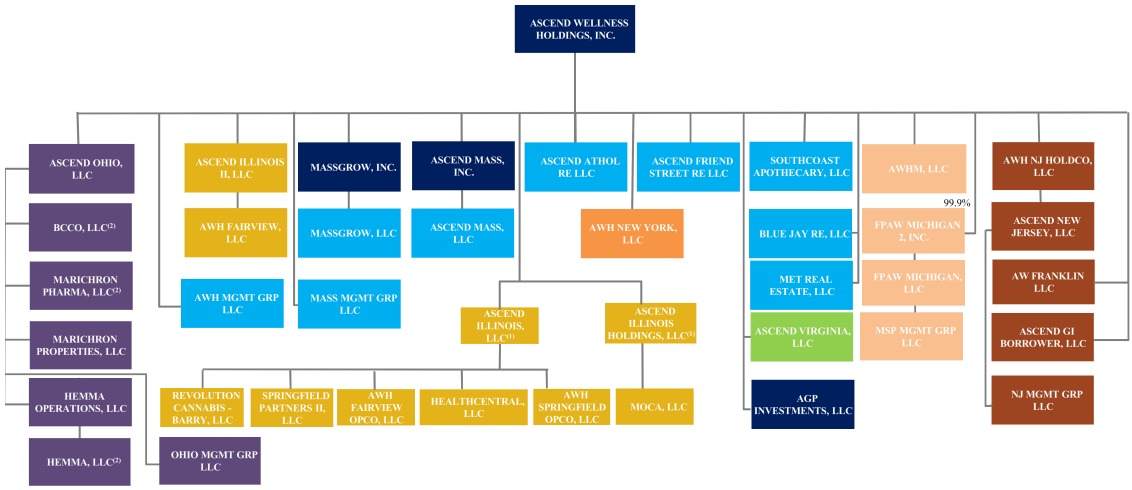
Following the Conversion, Ascend Wellness Holdings, Inc. will be deemed to be the same entity as AWH, and as a result will continue to hold all property and assets of AWH and will remain liable for all of the debts and obligations of AWH. After effecting the Conversion, we will be governed by a certificate of incorporation to be filed with the Delaware Secretary of State and bylaws.

Following the Conversion, we will have two classes of authorized common stock, Class A common stock and Class B common stock. Each share of Class A common stock will be entitled to one vote per share. Each share of Class B common stock will be entitled to votes per share. Holders of Class A common stock and Class B common stock will vote together as a single class on all matters (including the election of directors) submitted to a vote of stockholders, unless otherwise required by law or our certificate of incorporation. Each share of Class B common stock will automatically convert into one share of Class A common stock on the final conversion date, as defined in our certificate of incorporation. Each share of Class B common stock will also be convertible at any time at the option of the holder into one share of Class A common stock. In addition, each share of Class B common stock will convert automatically into one share of Class A common stock upon any transfer, whether or not for value, except for certain transfers described in our certificate of incorporation, including, without limitation, transfers for tax and estate planning purposes, so long as the transferring holder of Class B common stock continues to hold exclusive voting and dispositive power with respect to the shares transferred. Once converted into a share of Class A common stock, a converted share of Class B common stock will not be reissued. Following the conversion of all outstanding shares of Class B common stock, no further shares of Class B common stock will be issued. See "*Description of Capital Stock*."

On the effective date of the Conversion, the members of the board of managers of AWH will become the members of the board of directors (the "**Board**") of Ascend Wellness Holdings, Inc., with the exceptions described in this prospectus, and the officers of AWH will become the officers of Ascend Wellness Holdings, Inc. Following the Conversion, we will consummate the initial public offering of our Class A common stock.

The following diagram illustrates our corporate structure following the completion of the Conversion and the closing of the offering. See Exhibit 21.1 to the registration statement of which this prospectus is a part for a list of our subsidiaries. All lines represent 100% ownership of outstanding securities of the applicable subsidiary unless

otherwise noted. In part, the complexity of our organization structure is due to state licensing requirements that mandate that we maintain the corporate identity of our operating license holders.



(1) In process of transfer to AWH. The Illinois Department of Financial and Professional Regulation is currently reviewing the transfer application.
(2) The Ohio Medical Marijuana Control Program is currently reviewing transfer requests for Hemma, LLC and BCCO, LLC. We have entered into an agreement to acquire Marichron Pharma, LLC, but cannot submit a transfer request until Marichron Pharma, LLC receives a certificate of operation.

Legend:

In this prospectus, except as otherwise indicated or the context otherwise requires, all information is presented giving effect to the Conversion. The purpose of the Conversion is to reorganize our structure so that the entity that is offering our Class A common stock to the public in this offering is a Delaware corporation rather than a Delaware limited liability company, and so that our existing investors will own our Class A common stock rather than equity interests in a limited liability company. The Conversion will be effected by the filing of a certificate of conversion with the Secretary of State of the State of Delaware. See "*Corporate Conversion and Corporate Structure*."

THE OFFERING

Amount of securities to be offered:	shares of Class A common stock
Class A common stock to be outstanding after this offering:	shares of Class A common stock[(1)]
Class B common stock to be outstanding after this offering:	shares of Class B common stock[(1)]
Over-allotment option to purchase additional shares of Class A common stock:	We have granted the underwriters the right to purchase up to additional shares of Class A common stock within 30 days following the date of this prospectus
Use of proceeds:	We estimate that the net proceeds from this offering will be approximately $, or approximately $ if the underwriters exercise their over-allotment option in full. We expect to use (i) approximately $31,000,000 of the proceeds from this offering for the pending investment in MedMen NY, Inc., though we are not certain when or if such transaction will be consummated, or the terms upon which it will ultimately be completed as it remains subject to regulatory approval in all respects, (ii) approximately $7,000,000 to consummate the transactions for our proposed acquisitions of (a) Hemma, LLC and (b) BCCO, LLC, both of which are in Ohio, though we are not certain when or if such transactions will be consummated, or the terms upon which they will ultimately be completed as each remains subject to regulatory approval in all respects, (iii) approximately $20,000,000 for capital expenditures, and (iv) the remainder for future M&A transactions, general administration, tax liabilities, working capital and general corporate purposes, including additional financing provided to MedMen NY, Inc. prior to closing. See "Use of Proceeds."
Dividend policy:	We do not expect to pay any dividends on our shares of Class A common stock for the foreseeable future. See "*Dividend Policy*."
Voting and conversion:	We have two classes of common stock, Class A common stock and Class B common stock. The rights of the holders of Class A common stock and Class B common stock are identical, except for voting and conversion rights. Each share of Class A common stock will be entitled to one vote per share. Each share of Class B common stock will be entitled to votes per share. In the event of any change of control transaction, shares of our Class A common stock and Class B common stock shall be treated equally, ratably and identically, on a per share basis, unless different treatment of the shares of each such class is approved by the affirmative vote of the holders of a majority of the outstanding shares of Class A Common Stock and Class B Common Stock, each voting separately as a class. See "*Description of Capital Stock*."
Registration Rights Agreement	We intend to enter into a registration rights agreement (the "**Registration Rights Agreement**") with AGP in connection with this offering. The Registration Rights Agreement will provide AGP certain registration rights whereby, following our initial public offering and the expiration of any related lock-up period, AGP can require us to register under the Securities Act shares of Class A common stock. The Registration Rights Agreement will also provide for piggyback registration rights for AGP.

Risk factors:	You should read the "Risk Factors" section included in this prospectus for a discussion of factors to consider carefully before deciding to invest in shares of our Class A common stock.
Trading symbol:	We have applied to list our Class A common stock on the CSE and to have our Class A common stock quoted on the OTCQX. The listing and quotation of our Class A common stock will be subject to us fulfilling all of the listing requirements of the CSE and OTCQX, respectively.

(1) The total number of shares of our common stock outstanding immediately after this offering is based on shares of Class A common stock and shares of Class B common stock outstanding as of , after giving effect to the Conversion, and excludes:

- shares of Class A common stock issuable upon the exercise of warrants outstanding as of , 2021, at an exercise price of $2.00 per share of Class A common stock.

In this prospectus, except as otherwise indicated or the context otherwise requires, all information is presented giving effect to the Conversion. The purpose of the Conversion is to reorganize our structure so that the entity that is offering our Class A common stock to the public in this offering is a Delaware corporation rather than a Delaware limited liability company, and so that our existing investors will own our Class A common stock rather than equity interests in a limited liability company. The Conversion will be effected by the filing of a certificate of conversion with the Secretary of State of the State of Delaware. See "*Corporate Conversion and Corporate Structure*."

Summary of Risk Factors

Participating in this offering involves substantial risk. Our ability to execute our strategy is also subject to certain risks and uncertainties. The risks described under the heading "*Risk Factors*" included elsewhere in this prospectus may cause us not to realize the full benefits of our strengths or may cause us to be unable to successfully execute all or part of our strategy. Some of the most significant challenges and risks include the following:

- the effect of the volatility of the market price and liquidity risks on shares of our Class A common stock;
- the effect of the voting control exercised by holders of Class B common stock;
- our ability to attract and maintain key personnel;
- our ability to continue to open new dispensaries and cultivation facilities as anticipated;
- the illegality of cannabis under federal law;
- our ability to comply with state and federal regulations;
- the uncertainty regarding enforcement of cannabis laws;
- the effect of restricted access to banking and other financial services;
- the effect of constraints on marketing and risks related to our products;
- the effect of unfavorable tax treatment for cannabis businesses;
- the effect of security risks;
- the effect of infringement or misappropriation claims by third parties;
- our ability to comply with potential future FDA regulations;
- our ability to enforce our contracts;
- the effect of unfavorable publicity or consumer perception;
- the effect of risks related to material acquisitions, dispositions and other strategic transactions;
- the effect of agricultural and environmental risks;
- the effect of risks related to information technology systems;
- the effect of product liability claims and other litigation to which we may be subjected;
- the effect of risks related to the results of future clinical research;
- the effect of intense competition in the industry;
- the effect of adverse changes in the wholesale and retail prices;
- the effect of outbreaks of pandemic diseases, fear of such outbreaks or economic disturbances due to such outbreaks, particularly the impact of the COVID-19 illness; and

- the effect of general economic risks, such as the unemployment level, interest rates and inflation, and challenging global economic conditions.

Before you invest in our Class A common stock, you should carefully consider all the information in this prospectus, including matters set forth in the section captioned *"Risk Factors."*

SUMMARY OF CONSOLIDATED FINANCIAL INFORMATION

The following table sets forth our selected consolidated financial data for the periods, and as of the dates, indicated. The (i) consolidated statements of operations data for the years ended December 31, 2020 and 2019 and (ii) consolidated balance sheet data as of December 31, 2020 and 2019 have been derived from the audited consolidated financial statements of the Company and its subsidiaries, which are included elsewhere in this prospectus.

The data set forth below should be read in conjunction with "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" and the consolidated financial statements and the accompanying notes presented in this prospectus. Our consolidated financial statements have been prepared in accordance with U.S. GAAP and on a going-concern basis that contemplates continuity of operations and realization of assets and liquidation of liabilities in the ordinary course of business.

	Year Ended December 31,	
(in thousands, except per share data)	**2020**	**2019**
Revenue, net	$ 143,732	$ 12,032
Cost of goods sold	$ (82,818)	$ (8,744)
Gross profit	$ 60,914	$ 3,288
Total operating expenses	$ 53,067	$ 29,409
Other income (expense)	$ (12,986)	$ (6,454)
Net loss attributable to AWH	$ (25,439)	$ (31,895)
Net loss per share attributable to AWH	$ (0.13)	$ (0.18)
Total assets	$ 427,748	$ 195,931
Noncurrent liabilities	$ 308,677	$ 145,045

RISK FACTORS

Investing in our Class A common stock involves a high degree of risk. You should consider carefully the risks and uncertainties described below before making an investment decision, which we believe are material risks associated with our business and this offering. Our business, financial condition, operating results or growth prospects could be harmed by any of these risks. In such an event, the trading price of our Class A common stock could decline, and you may lose all or part of your investment. In assessing these risks, you should also refer to all of the other information contained in this prospectus, including our consolidated financial statements and related notes. Please also see the sections captioned "Cautionary Note Regarding Forward-Looking Statements" and "Market Industry and Other Data."

Risks Related to this Offering and Our Class A Common Stock

We do not intend to pay dividends on our shares of Class A common stock and, consequently, your ability to achieve a return on your investment will depend on appreciation in the price of our shares of Class A common stock.

We have never declared or paid any cash dividend on our shares of Class A common stock and do not currently intend to do so in the foreseeable future. We currently anticipate that we will retain future earnings, if materialized, for the development, operation and expansion of our business and do not anticipate declaring or paying any cash dividends in the foreseeable future. Therefore, the success of an investment in our shares of Class A common stock will depend upon any future appreciation in their value. Our shares of Class A common stock may not appreciate in the short term or long term or even maintain the price at which said shares of Class A common stock were purchased. A holding of shares of Class A common stock is speculative and involves a high degree of risk and should be undertaken only by holders whose financial resources are sufficient to enable them to assume such risks and who have no need for immediate liquidity in their investment. Holding shares of Class A common stock is appropriate only for holders who have the capacity to absorb a loss of some or all of their holdings.

Our voting control will be concentrated.

Abner Kurtin, one of our founders and our Chief Executive Officer, and Frank Perullo, one of our founders and our Chief Strategy Officer, have the ability to exercise significant voting power with respect to our outstanding shares because of the shares of Class B common stock that will be held by AGP, an entity Mr. Kurtin and Mr. Perullo control. Shares of Class B common stock will be entitled to votes per share. Upon completion of this offering, Mr. Kurtin and Mr. Perullo will control approximately % of our total issued and outstanding shares and approximately % of the voting power attached to all of our issued and outstanding shares (approximately % and %, respectively, if the underwriters exercise their option to purchase additional Class A common stock in full).

As a result, Mr. Kurtin and Mr. Perullo have the ability to exercise significant voting power on decisions that require stockholder approval, including the election and removal of directors and significant corporate transactions. This ability to exercise significant voting power could delay, defer or prevent a change of control, arrangement or merger or sale of all or substantially all of our assets that our other stockholders may support, which in turn could have a material adverse effect on the market price of our Class A common stock. Conversely, this concentrated control could allow the holders of the Class B common stock to consummate such a transaction that our other stockholders do not support. In addition, the holders of the Class B common stock may make long-term strategic investment decisions and take risks that may not be successful and/or may seriously harm our business.

Additionally, subsequent to the Conversion, Mr. Kurtin will serve as our Chair of the Board and Mr. Perullo will serve as one of our directors.

Future transfers by holders of Class B common stock will generally result in those shares converting to Class A common stock, subject to limited exceptions described in our certificate of incorporation. Each share of our Class B common stock is convertible at any time at the option of the Class B holder into one share of Class A common

stock. The conversion of Class B common stock to Class A common stock would dilute the overall voting power of Mr. Kurtin and Mr. Perullo and the voting power of holders of Class A common stock in terms of voting power within the Class A common stock, including holders of Class A common stock purchased in this offering.

For a description of our capital structure, see "*Description of Capital Stock.*"

Our capital structure and voting control may cause unpredictability in the price of our Class A common stock.

Given the concentration of voting control that is held by the holders of the Class B common stock, this capital structure and voting control could result in a lower trading price for, or greater fluctuations in, the trading price of our shares of Class A common stock, adverse publicity or other adverse consequences.

If you purchase our shares of Class A common stock in this offering, you will incur immediate and substantial dilution in the book value of your shares.

If you purchase shares of Class A common stock in this offering, you will incur immediate and substantial dilution of $ per share after giving effect to the sale by us of shares of Class A common stock offered in this offering at the public offering price of $ per share, and after deducting underwriting discounts and commissions for shares sold in the public offering and estimated offering expenses payable by us. The exercise of outstanding stock options and warrants may result in further dilution of your investment. See the section titled "*Dilution*" appearing elsewhere in this prospectus for a more detailed description of the dilution to new investors in the offering.

The market price for the shares of Class A common stock may be volatile, which may affect the price at which you could sell the shares of Class A common stock.

The market price for securities of cannabis companies generally are likely to be volatile. In addition, the market price for the shares of Class A common stock has been and may be subject to wide fluctuations in response to numerous factors beyond our control, including, but not limited to:

- actual or anticipated fluctuations in our quarterly results of operations;
- recommendations by securities research analysts;
- changes in the economic performance or market valuations of companies in the industry in which we operate;
- addition or departure of our executive officers and other key personnel;
- release or expiration of transfer restrictions on outstanding shares of Class A common stock;
- sales or perceived sales of additional shares of Class A common stock;
- operating and financial performance that varies from the expectations of management, securities analysts and investors;
- regulatory changes affecting our industry generally and our business and operations both domestically and abroad, or legislative or regulatory decisions to halt adult-use or medical cannabis programs;
- announcements of developments and other material events by us or our competitors;
- fluctuations in the costs of vital production materials and services;
- changes in global financial markets and global economies and general market conditions, such as interest rates and pharmaceutical product price volatility;
- significant acquisitions or business combinations, strategic partnerships, joint ventures or capital commitments by or involving us or our competitors;
- operating and share price performance of other companies that investors deem comparable to us or from a lack of market comparable companies; and
- news reports relating to trends, concerns, technological or competitive developments, regulatory changes and other related issues in our industry or target markets.

Financial markets have at times historically experienced significant price and volume fluctuations that: (i) have particularly affected the market prices of equity securities of companies, and (ii) have often been unrelated to the

operating performance, underlying asset values or prospects of such companies. Accordingly, the market price of the shares of Class A common stock from time to time may decline even if our operating results, underlying asset values or prospects have not changed. Additionally, these factors, as well as other related factors, may cause decreases in asset values that may result in impairment losses to us. Further fluctuations in price and volume of equity securities may occur in the future. If increased levels of volatility and market turmoil continue, our operations could be adversely impacted, and the trading price of the shares of Class A common stock may be materially adversely affected.

We may face liquidity risks.

We have applied to list our shares of Class A common stock on the CSE and to have our shares of Class A common stock quoted on the OTCQX. Listing and quotation of our Class A common stock will be subject to us fulfilling all of the listing requirements of the CSE and OTCQX, respectively. We cannot predict at what prices the shares of Class A common stock will continue to trade, and an active trading market may not be sustained.

Our shares of Class A common stock do not currently trade on any U.S. securities exchange. In the event our shares of Class A common stock do trade on any U.S. securities exchange, we cannot predict at what prices the shares of Class A common stock will trade and there is no assurance that an active trading market will develop or be sustained. There is a significant liquidity risk associated with an investment in us.

We will be subject to increased costs as a result of being a United States company listed on the CSE.

We have applied to be listed on the CSE and anticipate being subject to SEC rules and regulations. As a result, we will be subject to the reporting requirements, rules and regulations under the applicable Canadian and U.S. securities laws and rules of stock exchanges on which our securities may be listed. The requirements of existing and potential future rules and regulations will increase our legal, accounting and financial compliance costs, make some activities more difficult, time-consuming or costly and may place undue strain on our personnel, systems and resources, which could adversely affect our business, financial condition and results of operations.

We will face costs of maintaining a public listing.

There are costs associated with legal, accounting and other expenses related to regulatory compliance. Securities legislation and the rules and policies of the CSE require listed companies to, among other things, adopt corporate governance and related practices, and to continuously prepare and disclose material information, all of which add to a company's legal and financial compliance costs. We may also elect to devote greater resources on communication and other activities typically considered important by publicly traded companies.

Anti-takeover provisions in our certificate of incorporation and bylaws and Delaware law could discourage a takeover.

Our certificate of incorporation and bylaws, as adopted in connection with this offering, will contain provisions that might enable our management to resist a takeover. These provisions include:

- authorizing the issuance of "blank check" preferred stock that could be issued by our Board to increase the number of outstanding shares and thwart a takeover attempt;
- advance notice requirements applicable to stockholders for matters to be brought before a meeting of stockholders and requirements as to the form and content of a stockholder's notice;
- restrictions on the transfer of our outstanding shares of Class B common stock, which shares will represent % of the voting rights of our capital stock following this offering, or % of the voting rights if the underwriters exercise in full their option to purchase additional shares of Class A common stock;
- the dual-class structure of our common stock, which gives our founders significant influence over all matters requiring stockholder approval, including the election of directors, amendments to our charter

documents and significant corporate transactions, such as a merger or other sale of our company or its assets;
- the inability of our stockholders to act by written consent;
- a requirement that the authorized number of directors may be changed only by resolution of the Board;
- allowing all vacancies, including newly created directorships, to be filled by the affirmative vote of a majority of directors then in office, even if less than a quorum, except as otherwise required by law;
- limiting the forum for certain litigation against us to Delaware; and
- limiting the persons that can call special meetings of our stockholders to our Board, the chief executive officer, the president, the secretary or a majority of the authorized number of directors.

These provisions might discourage, delay or prevent a change in control of our company or a change in our Board or management. The existence of these provisions could adversely affect the voting power of holders of Class A common stock and limit the price that investors might be willing to pay in the future for shares of our Class A common stock. In addition, because we are incorporated in Delaware, we are governed by the provisions of Section 203 of the Delaware General Corporation Law, which generally prohibits a Delaware corporation from engaging in any of a broad range of business combinations with any "interested" stockholder for a period of three years following the date on which the stockholder became an "interested" stockholder. See "*Description of Capital Stock.*"

We may issue shares of preferred stock in the future, which could make it difficult for another company to acquire us or could otherwise adversely affect holders of our Class A common stock, which could depress the price of our Class A common stock.

Our certificate of incorporation will authorize us to issue one or more series of preferred stock. Our Board will have the authority to determine the preferences, limitations and relative rights of the shares of preferred stock and to fix the number of shares constituting any series and the designation of such series, without any further vote or action by our stockholders. Our preferred stock could be issued with voting, liquidation, dividend and other rights superior to the rights of our Class A common stock. The potential issuance of preferred stock may delay or prevent a change in control of us, discourage bids for our Class A common stock at a premium to the market price, and materially and adversely affect the market price and the voting and other rights of the holders of our Class A common stock.

Our certificate of incorporation and bylaws will provide that the Court of Chancery of the State of Delaware will be the sole and exclusive forum for substantially all disputes between us and our stockholders, which could limit our stockholders' ability to obtain a favorable judicial forum for disputes with us or our directors, officers or employees.

Our certificate of incorporation and bylaws, which will become effective prior to the completion of this offering, provide that, unless we consent to the selection of an alternative forum, the Court of Chancery of the State of Delaware is the sole and exclusive forum for (i) any derivative action or proceeding brought on our behalf, (ii) any action asserting a claim of breach of fiduciary duty owed by any of our directors, officers or other employees to us or to our stockholders, (iii) any action asserting a claim arising pursuant to the Delaware General Corporation Law or our certificate of incorporation or bylaws, (iv) any action to interpret apply, enforce or determine the validity of our certificate of incorporation or bylaws, or (v) any action asserting a claim governed by the internal affairs doctrine.

This exclusive forum provision would not apply to suits brought to enforce any liability or duty created by the Securities Act or the Exchange Act of 1934, as amended (the "**Exchange Act**") or any other claim for which the federal courts have exclusive jurisdiction. Our bylaws provide that, unless we consent in writing to the selection of an alternative forum, the federal district courts of the United States of America shall be the exclusive forum for the resolution of any complaint asserting a cause of action arising under the Securities Act or the Exchange Act.

The choice of forum provisions above may limit a stockholder's ability to bring a claim in a judicial forum that it finds favorable for disputes with us or our directors, officers or other employees or could result in increased costs for a stockholder to bring a claim, both of which may discourage such lawsuits against us and our directors, officers

and other employees. Alternatively, if a court were to find the choice of forum provision contained in our certificate of incorporation to be inapplicable or unenforceable in an action, we may incur additional costs associated with resolving such action in other jurisdictions, which could harm our business, operating results and financial condition.

It may be difficult to enforce civil liabilities in the U.S. under Canadian securities laws.

We are incorporated in the State of Delaware and our corporate headquarters are located in New York. A majority of our directors and executive officers and certain of the experts named in this prospectus reside principally in the U.S. and the majority of our assets and all or a substantial portion of the assets of these persons is located outside of Canada. It may be difficult for investors who reside in Canada to effect service of process upon these persons in Canada, or to enforce a Canadian court judgment predicated upon the civil liability provisions of the Canadian securities laws against us or any of these persons. U.S. courts may refuse to hear a claim based on an alleged violation of Canadian securities laws against us or these persons on the grounds that the U.S. is not the most appropriate forum in which to bring a claim. Even if a U.S. court agrees to hear a claim, it may determine that U.S. law and not Canadian law is applicable to the claim. If Canadian law is found to be applicable, the content of applicable Canadian law must be proved as a fact, which can be a time-consuming and costly process. Certain matters of procedure will also be governed by U.S. law.

We will be an SEC foreign issuer under Canadian securities laws and, therefore, will be exempt from certain requirements of Canadian securities laws applicable to other Canadian reporting issuers.

Although we intend to be a reporting issuer in Canada, we will be an "SEC foreign issuer" as defined in National Instrument 71-102 – *Continuous Disclosure and Other Exemptions Relating to Foreign Issuer*s, and will be exempt from certain Canadian securities laws relating to continuous disclosure obligations and proxy solicitation if we comply with certain reporting requirements applicable in the U.S., provided that the relevant documents filed with the SEC are filed in Canada and sent to our stockholders in Canada to the extent and in the manner and within the time required by applicable U.S. requirements. In some cases, the disclosure obligations applicable in the U.S. are different or less onerous than the comparable disclosure requirements applicable in Canada for a Canadian reporting issuer that is not exempt from Canadian disclosure obligations. Therefore, there may be less or different publicly available information about us than would be available if we were a Canadian reporting issuer that is not exempt from such Canadian disclosure obligations. While we expect to be an SEC foreign issuer for the foreseeable future, we may lose the ability to rely upon such exemption in the event of a significant increase in the number of our Canadian resident stockholders and/or in the event of a significant change in the administration of our business or the location of our assets, which would in turn require us, as a consequence, to comply with the Canadian disclosure requirements in addition to those of the U.S., thereby necessitating the devotion of further administrative and legal resources in order to meet such requirement.

Risks Related to Our Business and Industry

Cannabis remains illegal under U.S. federal law, and enforcement of cannabis laws could change.

We are currently engaged in the cannabis industry in the United States, both directly and indirectly, where local and state laws permit such activities. However, investors are cautioned that cannabis is a Schedule I controlled substance pursuant to the United States Controlled Substances Act (21 U.S.C. § 811) (the "**CSA**"), and is illegal under U.S. federal law. Even in those states in which the use of cannabis has been legalized, its use, cultivation, sale and distribution remains a violation of federal law. Since federal law criminalizing the use of cannabis preempts state laws that legalize its use, strict enforcement of federal law regarding cannabis would harm our business, prospects, results of operation, and financial condition.

Unlike in Canada, which has federal legislation uniformly governing the cultivation, distribution, sale and possession of medical and adult-use cannabis, for both adult-use and medical purposes, cannabis is largely regulated at the state level in the United States. To date, the cultivation and sale of cannabis for medical uses has been legalized in 36 states, four of five permanently inhabited U.S. territories and the District of Columbia. The adult-use of cannabis has been legalized in 15 states and the District of Columbia. Although certain U.S. states have legalized

the sale of medical or adult-use cannabis, the sale, distribution, and cultivation of cannabis and cannabis-related products remains illegal under U.S. federal law pursuant to the CSA. The CSA classifies cannabis as a Schedule I controlled substance, and as such, medical and adult-use cannabis use is illegal under U.S. federal law.

Unless and until the United States Congress ("**Congress**") amends the CSA with respect to cannabis (and the President approves such amendment), there is a risk that federal authorities may enforce current federal law. If that occurs, we may be deemed to be producing, cultivating or dispensing cannabis and drug paraphernalia in violation of federal law. Any person connected to the cannabis industry in the United States may be at risk of federal criminal prosecution and civil liability in the United States. Any investments may be subject to civil or criminal forfeiture and total loss.

We are directly or indirectly engaged in the medical and adult-use cannabis industry in the United States where local state law permits such activities. Although our activities are believed to be compliant with applicable state and local laws, strict compliance with state and local laws with respect to cannabis may neither absolve us from liability under United States federal law, nor may it provide a defense to any federal proceeding which may be brought against us. There can be no assurances that the federal government of the United States will not seek to enforce the applicable laws against us. Enforcement of federal law regarding cannabis is a significant risk and would greatly harm our business, prospects, revenue, results of operation and financial condition.

Due to the conflicting views between state legislatures and the federal government regarding cannabis, cannabis businesses are subject to inconsistent laws and regulations. The Obama administration attempted to address the inconsistent treatment of cannabis under state and federal law in August 2013 in a memorandum which then-Deputy Attorney General James Cole sent to all U.S. District Attorneys (the "**Cole Memorandum**"). The Cole Memorandum outlined certain priorities for the Department of Justice (the "**DOJ**") relating to the prosecution of cannabis offenses and noted that, in jurisdictions that have enacted laws legalizing cannabis in some form and that have also implemented strong and effective regulatory and enforcement systems to control the cultivation, processing, distribution, sale and possession of cannabis, conduct in compliance with such laws and regulations was not a priority for the DOJ. However, the DOJ did not provide (and has not provided since) specific guidelines for what regulatory and enforcement systems would be deemed sufficient under the Cole Memorandum.

On January 4, 2018, then-U.S. Attorney General Jeff Sessions formally issued a memorandum (the "**Sessions Memorandum**") which rescinded the Cole Memorandum effective upon its issuance. The Sessions Memorandum stated, in part, that current law reflects "Congress' determination that cannabis is a dangerous drug and cannabis activity is a serious crime," and Mr. Sessions directed all U.S. Attorneys to enforce the laws enacted by Congress and to follow well-established principles when pursuing prosecutions related to cannabis activities.

As a result of the Sessions Memorandum, federal prosecutors are now free to utilize their prosecutorial discretion to decide whether to prosecute cannabis activities, despite the existence of state-level laws that may be inconsistent with federal prohibitions. No direction was given to federal prosecutors in the Sessions Memorandum as to the priority they should ascribe to such cannabis activities, and thus it is uncertain how active U.S. federal prosecutors will be in relation to such activities.

There can be no assurance that the federal government will not enforce federal laws relating to cannabis and seek to prosecute cases involving cannabis businesses that are otherwise compliant with state laws in the future. Mr. Sessions resigned as U.S. Attorney General on November 7, 2018. On February 14, 2019, William Barr was confirmed as U.S. Attorney General. On January 7, 2021, then President-elect Joe Biden announced his nomination of current Chief Judge of the United States Court of Appeals for the District of Columbia Circuit, Merrick Garland, to succeed Mr. Barr as the U.S. Attorney General. Merrick Garland was officially sworn in as Attorney General of the United States on March 11, 2021. It is unclear what impact this development will have on U.S. federal government enforcement policy.

We may be subject to action by the U.S. federal government.

Since the cultivation, processing, production, distribution and sale of cannabis for any purpose, medical, adult-use or otherwise, remain illegal under U.S. federal law, it is possible that we may be forced to cease activities. The U.S. federal government, through, among others, the DOJ, its sub-agency, the Drug Enforcement Administration (the "**DEA**"), and the Internal Revenue Service ("**IRS**"), has the right to actively investigate, audit and shut down cannabis growing facilities, processors and retailers. The U.S. federal government may also attempt to seize our property. Any action taken by the DOJ, the DEA and/or the IRS to interfere with, seize or shut down our operations will have an adverse effect on our business, prospects, revenue, results of operation and financial condition.

Because federal law criminalizing the use of cannabis preempts state laws that legalize its use, the federal government can assert criminal violations of federal law despite state laws permitting the use of cannabis. While it does not appear that federal law enforcement and regulatory agencies are focusing resources on licensed cannabis related businesses that are operating in compliance with state law, this could change at any time. Additionally, while the MORE Act was passed by the House of Representatives on December 4, 2020, there is no assurance that the bill will be passed by the Senate or signed into law by the President. The MORE Act was not passed by the Senate prior to the end of the 116th Congress and would need to be reintroduced and passed by the House of Representatives and Senate and signed into law by the president. As the rescission of the Cole Memorandum and the implementation of the Sessions Memorandum demonstrate, the DOJ may at any time issue additional guidance that directs federal prosecutors to devote more resources to prosecuting cannabis related businesses. If the DOJ under the Biden administration aggressively pursues financiers or equity owners of cannabis-related businesses, and U.S. Attorneys follow the DOJ policies through pursuing prosecutions, then we could face:

- seizure of our cash and other assets used to support or derived from our cannabis subsidiaries;
- the arrest of our employees, directors, officers, managers and investors;
- ancillary criminal violations of the Controlled Substances Act for aiding and abetting, and conspiracy to violate the Controlled Substances Act by providing financial support to cannabis companies that service or provide goods to state-licensed or permitted cultivators, processors, distributors and/or retailers of cannabis; and
- the barring of our employees, directors, officers, managers and investors who are not U.S. citizens from entry into the United States for life.

Because the Cole Memorandum was rescinded, the DOJ under the current or new administration or an aggressive federal prosecutor could allege that us and our Board, our executive officers and, potentially, our stockholders, "aided and abetted" violations of federal law by providing finances and services to our portfolio cannabis companies. Under these circumstances, federal prosecutors could seek to seize our assets, and to recover the "illicit profits" previously distributed to stockholders resulting from any of our financing or services. In these circumstances, our operations would cease, stockholders may lose their entire investments and directors, officers and/or stockholders may be left to defend any criminal charges against them at their own expense and, if convicted, be sent to federal prison.

Additionally, there can be no assurance as to the position the new administration under President Biden may take on cannabis, and the new administration could decide to enforce the federal laws strongly. Any enforcement of current federal cannabis laws could cause significant financial damage to us and our stockholders. Further, President Biden's administrations may choose to treat cannabis differently and potentially enforce the federal laws more aggressively.

Violations of any federal laws and regulations could result in significant fines, penalties, administrative sanctions, convictions or settlements arising from civil proceedings conducted by either the federal government or private citizens, or criminal charges, including, but not limited to, disgorgement of profits, cessation of business activities or divestiture. These results could have a material adverse effect on us, including our reputation and ability to conduct business, our holding (directly or indirectly) of cannabis licenses in the United States, the listing of our Class A common stock on various stock exchanges, our financial position, operating results, profitability or liquidity or the market price of our shares of Class A common stock. In addition, it is difficult to estimate the time or

resources that would be needed for the investigation or final resolution of any such matters because: (i) the time and resources that may be needed depend on the nature and extent of any information requested by the authorities involved, and (ii) such time or resources could be substantial.

U.S. State regulation of cannabis is uncertain.

Our activities are, and will continue to be, subject to evolving regulation and interpretation by various governmental authorities. The medical and adult-use cannabis industries are subject to various local, state and federal laws, regulations, guidelines, and licensing requirements relating to the manufacture, sale, distribution, management, transportation, storage, and disposal of cannabis, as well as being subject to laws and regulations relating to health and safety, the conduct of operations, and the protection of the environment. There is no assurance that state laws legalizing and regulating the sale and use of cannabis will not be repealed or overturned, or that local governmental authorities will not limit the applicability of state laws within their respective jurisdictions. Given the current regulatory environment in the United States, new risks may emerge, and management may not be able to predict all such risks. If the U.S. federal government begins to enforce U.S. federal laws relating to cannabis in states where the sale and use of cannabis is currently legal, or if existing state laws are repealed or curtailed, our business or operations in those states or under those laws would be materially and adversely affected. Federal actions against any individual or entity engaged in the cannabis industry or a substantial repeal of cannabis related legislation could adversely affect us, our business and our assets or investments.

As a result of the conflicting views between state legislatures and the federal government regarding cannabis, the rulemaking process at the state level that applies to cannabis operators in any state will be ongoing and result in frequent changes. As a result, a compliance program is essential to manage regulatory risk. All of our implemented operating policies and procedures are compliance-based and are derived from the state regulatory structure governing ancillary cannabis businesses and their relationships to state-licensed or permitted cannabis operators, if any. Notwithstanding our efforts and diligence, regulatory compliance and the process of obtaining regulatory approvals can be costly and time-consuming. No assurance can be given that we will receive or will continue to hold the requisite licenses, permits or cards to operate our businesses as currently operated or as proposed to be operated in the future, or that we will be able to complete business transactions, including acquisitions or transfers of licenses, permits, cards or other property.

In addition, local laws and ordinances could restrict our business activity. Although our operations are legal under the laws of the states in which we operate, local governments have the ability to limit, restrict and ban cannabis businesses from operating within their jurisdiction. Land use, zoning, local ordinances and similar laws could be adopted or changed and have a material adverse effect on our business.

Multiple states where medical and/or adult-use cannabis is legal have or are considering special taxes or fees on businesses in the cannabis industry. It is uncertain at this time whether other states are in the process of reviewing such additional taxes and fees. The implementation of special taxes or fees could have a material adverse effect upon our business, prospects, revenue, results of operation and financial condition.

We are affected by the dynamic laws and regulations of the industry.

The success of our business strategy depends on the legality of the cannabis industry. The constant evolution of laws and regulations affecting the cannabis industry could detrimentally affect us. Our current and proposed operations are subject to a variety of local, state and federal medical cannabis laws and regulations relating to the manufacture, management, transportation, storage and disposal of cannabis, as well as laws and regulations relating to consumable products health and safety, the conduct of operations and the protection of the environment. These laws and regulations are broad in scope and subject to evolving interpretations, which could require us to incur substantial costs associated with compliance or alter certain aspects of their business plans.

In addition, violations of these laws, or allegations of such violations, could disrupt certain aspects of our business plans and result in a material adverse effect on certain aspects of its planned operations. These laws and regulations are rapidly evolving and subject to change with minimal notice. Regulatory changes may adversely

affect our profitability or cause us to cease operations entirely. If cannabis is legalized at the federal level, our business and operations could be negatively affected if such legalization permits cannabis to be transported or sold across state lines, which could disrupt wholesale pricing in states with high wholesale prices. The cannabis industry may come under the scrutiny or further scrutiny by the U.S. Food and Drug Administration (the "**FDA**"), SEC, the DOJ, the Financial Industry Regulatory Authority or other federal or applicable state or nongovernmental regulatory authorities or self-regulatory organizations that supervise or regulate the production, distribution, sale or use of cannabis for medical or adult-use purposes in the United States.

It is impossible to determine the extent of the impact of any new laws, regulations or initiatives that may be proposed, or whether any proposals will become law. The medical and adult-use cannabis industries are subject to significant regulatory change at both the state and federal level. The regulatory uncertainty surrounding the industries may adversely affect our business and operations, including without limitation, the costs to remain compliant with applicable laws and the impairment of its business or the ability to raise additional capital. In addition, we will not be able to predict the nature of any future laws, regulations, interpretations or applications, and it is possible that regulations may be enacted in the future that will be directly applicable to its business. For example, see "*Risk Factors - We may be subject to heightened scrutiny by Canadian regulatory authorities*" below.

State regulatory agencies may require us to post bonds, maintain large insurance policies or post significant fees.

There is a risk that a greater number of state regulatory agencies will begin requiring entities engaged in certain aspects of the legal cannabis industry to post a bond or significant fees when applying, for example, for a dispensary license or renewal as a guarantee of payment of sales and franchise taxes. We are not able to quantify at this time the potential scope of such bonds or fees in the states in which we currently operate or may in the future operate. Any bonds or fees of material amounts could have a negative impact on the ultimate success of our business.

We may be subject to heightened scrutiny by Canadian regulatory authorities.

Following the completion of this offering, we anticipate that our Class A common stock we will be traded on the CSE and quoted on the OTCQX in the United States. Our business, operations and investments in the United States, and any future business, operations or investments, may become the subject of heightened scrutiny by regulators, stock exchanges and other authorities in Canada and the United States. As a result, we may be subject to significant direct and indirect interaction with public officials. There can be no assurance that this heightened scrutiny will not in turn lead to the imposition of certain restrictions on our ability to operate or invest in the United States or any other jurisdiction.

In 2017, there were concerns that the Canadian Depository for Securities Limited, through its subsidiary CDS Clearing and Depository Services Inc. ("**CDS**"), Canada's central securities depository (clearing and settling trades in the Canadian equity, fixed income and money markets), would refuse to settle trades for cannabis issuers that have investments in the United States. However, CDS has not implemented this policy.

On February 8, 2018, the Canadian Securities Administrators published Staff Notice 51-352 describing the Canadian Securities Administrators' disclosure expectations for specific risks facing issuers with cannabis-related activities in the U.S. Staff Notice 51-352 confirms that a disclosure-based approach remains appropriate for issuers with U.S. cannabis-related activities. Staff Notice 51-352 includes additional disclosure expectations that apply to all issuers with U.S. cannabis-related activities, including those with direct and indirect involvement in the cultivation and distribution of cannabis, as well as issuers that provide goods and services to third parties involved in the U.S. cannabis industry.

On February 8, 2018, following discussions with the Canadian Securities Administrators and recognized Canadian securities exchanges, the TMX Group, which is the owner and operator of CDS, announced the signing of a Memorandum of Understanding ("**MOU**") with Aequitas NEO Exchange Inc., the CSE, the Toronto Stock Exchange and the TSX Venture Exchange. The MOU outlines the parties' understanding of Canada's regulatory framework applicable to the rules, procedures and regulatory oversight of the exchanges and CDS as it relates to

issuers with cannabis-related activities in the United States. The MOU confirms, with respect to the clearing of listed securities, that CDS relies on the Canadian securities exchanges to review the conduct of listed issuers.

The MOU notes that securities regulation requires that the rules of each of the exchanges must not be contrary to the public interest and that the rules of each of the exchanges have been approved by the securities regulators. Pursuant to the MOU, CDS will not ban accepting deposits of or transactions for clearing and settlement of securities of issuers with cannabis-related activities in the United States.

Although the MOU indicated that there are no plans to ban the settlement of securities through CDS, there can be no guarantee that this approach to regulation will continue in the future. If such a ban were implemented at a time when shares of Class A common stock are listed on a Canadian stock exchange, it would have a material adverse effect on the ability of holders of shares of Class A common stock to make and settle trades. In particular, the shares of Class A common stock would become highly illiquid until an alternative (if available) was implemented, and investors would have no ability to effect a trade of shares of Class A common stock through the facilities of the applicable Canadian stock exchange.

We face risks associated with a change in U.S. administrations.

The inauguration of President Joseph Biden Jr. in January 2021 has created political uncertainty with respect to the regulation of cannabis in the U.S. federally. This uncertainty may include issues such as enforcement of the U.S. federal laws including those with respect to the cannabis industry. Implementation by the U.S. of new legislative or regulatory regimes could impose additional costs on us, decrease U.S. demand for our products or otherwise negatively impact us, which may have a material adverse effect on the Company's business, financial condition and operations.

We may face limitations on ownership of cannabis licenses.

In certain states, the cannabis laws and regulations limit not only the number of cannabis licenses and types of licenses issued, but also the number of cannabis licenses and types that one person or entity may own. We believe that, where such restrictions apply, the Company may still recognize revenue in the market through wholesale sales, exclusive marketing relations, the provision of management or support services, and joint ventures or similar contractual relationships with other operators to ensure continued compliance with the applicable regulatory guidelines. In addition, states may require that certain qualified applicants or individuals participate in the ownership of the licensed entity. Currently, we have joint ventures or contractual relationships with third parties in Illinois, Michigan and Ohio. Nevertheless, such limitations on the ownership of additional licenses within certain states may limit our ability to expand in such states.

We face risks associated with licensing relating to supply, supply chain and market constraints.

The cannabis laws and regulations of states in which we operate limit the granting and number of licenses granted for dispensaries and cultivation and production facilities. The number of licenses by category, and issuance of individual licenses, may be limited, delayed, denied or otherwise unissued. This separate treatment of individual licenses as well as license categories, along with limits set on the number of licenses granted in each of these operating categories, can result in market and supply chain risks including, for example, mismatch between cultivation and production facilities and dispensaries relating to availability and production of cannabis products. This can result in, among other things, market, pricing and supply risks, which may have a material effect on the Company's business, financial condition and operations.

We may become subject to FDA or Bureau of Alcohol, Tobacco, Firearms and Explosives ("ATF") regulation.

Cannabis remains a Schedule I controlled substance under U.S. federal law. If the federal government reclassifies cannabis to a Schedule II controlled substance, it is possible that the FDA would seek to regulate cannabis under the Food, Drug and Cosmetics Act of 1938. Additionally, the FDA may issue rules and regulations, including good manufacturing practices, related to the growth, cultivation, harvesting, processing and labeling of

medical cannabis. Clinical trials may be needed to verify the efficacy and safety of cannabis. It is also possible that the FDA would require facilities where medical use cannabis is grown to register with the FDA and comply with certain federally prescribed regulations. If some or all of these regulations are imposed, the impact they would have on the cannabis industry is unknown, including the costs, requirements and possible prohibitions that may be enforced. If we are unable to comply with the potential regulations or registration requirements prescribed by the FDA, it may have an adverse effect on our business, prospects, revenue, results of operation and financial condition.

It is also possible that the federal government could seek to regulate cannabis under the ATF. The ATF may issue rules and regulations related to the use, transporting, sale and advertising of cannabis or cannabis products, including smokeless cannabis products.

Cannabis businesses are subject to applicable anti-money laundering laws and regulations and have restricted access to banking and other financial services.

We are subject to a variety of laws and regulations in the United States that involve money laundering, financial record-keeping and proceeds of crime, including the U.S. Currency and Foreign Transactions Reporting Act of 1970 (the "**Bank Secrecy Act**") as amended by Title III of the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001 (which we refer to as the USA Patriot Act), and any related or similar rules, regulations or guidelines, issued, administered or enforced by governmental authorities in the United States. Since the cultivation, manufacture, distribution and sale of cannabis remains illegal under the CSA, banks and other financial institutions providing services to cannabis-related businesses risk violation of federal anti-money laundering statutes (18 U.S.C. §§ 1956 and 1957) and the Bank Secrecy Act, among other applicable federal statutes. Accordingly, pursuant to the Bank Secrecy Act, banks or other financial institutions that provide a cannabis business with a checking account, debit or credit card, small business loan or any other service could be criminally prosecuted for willful violations of money laundering statutes, in addition to being subject to other criminal, civil, and regulatory enforcement actions.

Banks often refuse to provide banking services to businesses involved in the cannabis industry due to the present state of the laws and regulations governing financial institutions in the U.S. The lack of banking and financial services presents unique and significant challenges to businesses in the cannabis industry. The potential lack of a secure place in which to deposit and store cash, the inability to pay creditors through the issuance of checks and the inability to secure traditional forms of operational financing, such as lines of credit, are some of the many challenges presented by the unavailability of traditional banking and financial services. The above-mentioned laws and regulations can impose criminal liability for engaging in certain financial and monetary transactions with the proceeds of a "specified unlawful activity" such as distributing controlled substances, including cannabis, which are illegal under federal law, and for failing to identify or report financial transactions that involve the proceeds of cannabis-related violations of the CSA. We may also be exposed to the foregoing risks.

In February 2014, the U.S. Department of the Treasury's Financial Crimes Enforcement Network ("**FinCEN**") issued a memorandum (the "**FinCEN Memorandum**") providing instructions to banks seeking to provide services to cannabis-related businesses. The FinCEN Memorandum echoed the enforcement priorities of the Cole Memorandum and states that in some circumstances, it is permissible for banks to provide services to cannabis-related businesses without risking prosecution for violation of federal money laundering laws. The FinCEN Memorandum directed prosecutors to apply the enforcement priorities of the Cole Memorandum in determining whether to charge individuals or institutions with crimes related to financial transactions involving the proceeds of cannabis-related conduct.

The revocation of the Cole Memorandum has not yet affected the status of the FinCEN Memorandum, nor has FinCEN given any indication that it intends to rescind the FinCEN Memorandum itself. Shortly after the Sessions Memorandum was issued, FinCEN did state that it would review the FinCEN Memorandum, but FinCEN has not yet issued further guidance.

Although the FinCEN Memorandum remains intact, it is unclear whether the current administration will continue to follow its guidelines. The DOJ continues to have the right and power to prosecute crimes committed by

banks and financial institutions, such as money laundering and violations of the Bank Secrecy Act, that occur in any state including states that have in some form legalized the sale of cannabis. Further, the conduct of the DOJ's enforcement priorities could change for any number of reasons. A change in the DOJ's priorities could result in the prosecution of banks and financial institutions for crimes that were not previously prosecuted.

If our operations, or proceeds thereof, dividend distributions or profits or revenues derived from our operations were found to be in violation of money laundering legislation or otherwise, such transactions may be viewed as proceeds from a crime (the sale of a Schedule I drug) under the Bank Secrecy Act's money laundering provisions. This may restrict our ability to declare or pay dividends or effect other distributions.

The FinCEN Memorandum does not provide any safe harbors or legal defenses from examination or regulatory or criminal enforcement actions by the DOJ, FinCEN or other federal regulators. Thus, most banks and other financial institutions in the United States do not appear comfortable providing banking services to cannabis-related businesses or relying on this guidance given that it has the potential to be amended or revoked by the current administration. There are no assurances that this position will change under the Biden administration. In addition to the foregoing, banks may refuse to process debit card payments and credit card companies generally refuse to process credit card payments for cannabis-related businesses. As a result, we may have limited or no access to banking or other financial services in the United States. In addition, federal money laundering statutes and Bank Secrecy Act regulations discourage financial institutions from working with any organization that sells a controlled substance, regardless of whether the state it operates in permits cannabis sales. Our inability or limitation of our ability to open or maintain bank accounts, obtain other banking services and/or accept credit card and debit card payments may make it difficult for us to operate and conduct our business as planned or to operate efficiently.

Other potential violations of U.S. federal law resulting from cannabis-related activities include the Racketeer Influenced Corrupt Organizations Act ("**RICO**"). RICO is a federal statute providing criminal penalties in addition to a civil cause of action for acts performed as part of an ongoing criminal organization. Under RICO, it is unlawful for any person who has received income derived from a pattern of racketeering activity (which includes most felonious violations of the CSA), to use or invest any of that income in the acquisition of any interest, or the establishment or operation of, any enterprise which is engaged in interstate commerce. RICO also authorizes private parties whose properties or businesses are harmed by such patterns of racketeering activity to initiate a civil action against the individuals involved. Although RICO suits against the cannabis industry are rare, a few cannabis businesses have been subject to a civil RICO action. Defending such a case has proven extremely costly, and potentially fatal to a business' operations.

On March 18, 2021, the Secure and Fair Enforcement Banking Act (the "**SAFE Banking Act**") was reintroduced in the House of Representatives. On March 23, 2021, the bill was reintroduced in the Senate as well. The House previously passed the SAFE Banking Act in September 2019, but the measure stalled in the Senate. As written, the SAFE Banking Act would allow financial institutions to provide their services to state-legal cannabis clients and ancillary businesses serving state-legal cannabis businesses without fear of federal sanctions. There is no guarantee the SAFE Banking Act will become law in its current form, if at all.

In the event that any of our operations, or any proceeds thereof, any dividends or distributions therefrom, or any profits or revenues accruing from such operations in the United States were found to be in violation of money laundering legislation or otherwise, such transactions may be viewed as proceeds of crime under one or more of the statutes noted above or any other applicable legislation. This could restrict or otherwise jeopardize our ability to declare or pay dividends, effect other distributions or subsequently repatriate such funds back to Canada, and subject us to civil and/or criminal penalties. Furthermore, in the event that a determination was made that the proceeds from our operations (or any future operations or investments in the United States) could reasonably be shown to constitute proceeds of crime, we may decide or be required to suspend declaring or paying dividends without advance notice and for an indefinite period of time. We could likewise be required to suspend or cease operations entirely.

We operate in a highly regulated sector and may not always succeed in complying fully with applicable regulatory requirements in all jurisdictions where we carry on business.

Our business and activities are heavily regulated in all jurisdictions where we carry on business. Our operations are subject to various laws, regulations and guidelines by state and local governmental authorities relating to the manufacture, marketing, management, transportation, storage, sale, pricing and disposal of cannabis and cannabis oil, and also including laws and regulations relating to health and safety, insurance coverage, the conduct of operations and the protection of the environment. Laws and regulations, applied generally, grant government agencies and self-regulatory bodies broad administrative discretion over our activities, including the power to limit, require, or restrict business activities as well as impose additional disclosure requirements on our products and services. Achievement of our business objectives is contingent, in part, upon compliance with regulatory requirements enacted by these governmental authorities and obtaining all necessary regulatory approvals for the manufacture, production, storage, transportation, sale, import and export, as applicable, of our products, and as may be required in connection with any business transactions, including acquisition or transfer of licenses, permits, cards or other property. The commercial cannabis industry is still a new industry at the state and local level. The effect of relevant governmental authorities' administration, application and enforcement of their respective regulatory regimes and delays in obtaining, or failure to obtain, applicable regulatory approvals which may be required may significantly delay or impact the development of markets, products and sales initiatives and could have a material adverse effect on our business, prospects, revenue, results of operation and financial condition.

While we endeavor to comply with all relevant laws, regulations and guidelines and we are in compliance or are in the process of being assessed for compliance with all such laws, regulations and guidelines, any failure to comply with the regulatory requirements applicable to our operations may lead to possible sanctions including the revocation or imposition of additional conditions on licenses to operate our business; the suspension or expulsion from a particular market or jurisdiction or of our key personnel; the imposition of additional or more stringent inspection, testing and reporting requirements; and the imposition of fines and censures. In addition, changes in regulations, more vigorous enforcement thereof or other unanticipated events could require extensive changes to our operations, increase compliance costs or give rise to material liabilities and/or revocation of our licenses and other permits, which could have a material adverse effect on our business, results of operations and financial condition. Furthermore, governmental authorities may change their administration, application or enforcement procedures at any time, which may adversely impact our ongoing costs relating to regulatory compliance.

We may face difficulties in enforcing our contracts.

Because our contracts involve cannabis and other activities that are currently illegal under U.S. federal law and the laws of certain other jurisdictions, we may face difficulties in enforcing our contracts in U.S. federal courts and certain state courts.

More specifically, some courts have determined that contracts relating to state legal cultivation and sale of cannabis are unenforceable on the grounds that they are illegal under federal law and therefore void as a matter of public policy. This could substantially impact the rights of parties making or defending claims involving us and any of our lenders or members.

It is a fundamental principle of law that a contract will not be enforced if it involves a violation of law or public policy. Notwithstanding that cannabis related businesses operate pursuant to the laws of states in which such activity is legal under state law, judges have on a number of occasions refused to enforce contracts for the repayment of money when the loan was used in connection with activities that violate federal law, even if there is no violation of state law. There remains doubt and uncertainty that we will be able to legally enforce contracts we enter into if necessary. As we cannot be assured that we will have a remedy for breach of contract, investors must bear the risk of the uncertainty in the law. If borrowers fail or refuse to repay loans and we are unable to legally enforce our contracts, we may suffer substantial losses for which we have no legal remedy. The inability of us to enforce any of our contracts could have a material adverse effect on our business, revenues, operating results, financial condition or prospects.

We have limited trademark and intellectual property protection.

As long as cannabis remains illegal under U.S. federal law as a Schedule I controlled substance pursuant to the CSA, the benefit of certain federal laws which may be available to most businesses, such as federal trademark protection, may not be available to us. Because producing, manufacturing, processing, possessing, distributing, selling and using cannabis is illegal under the CSA, the United States Patent and Trademark Office will not permit the registration of any trademark that identifies cannabis products. As a result, our intellectual property may never be adequately or sufficiently protected against use or misappropriation by third-parties. In addition, since the regulatory framework of the cannabis industry is in a constant state of flux, we can provide no assurance that we will ever obtain any protection of its intellectual property, whether on a federal, state or local level.

Any infringement or misappropriation of our intellectual property could damage its value and limit our ability to compete. We may have to engage in litigation to protect the rights to our intellectual property, which could result in significant litigation costs and require a significant amount of our time.

Competitors may also harm our sales by designing products that mirror our products or processes without infringing on our intellectual property rights. If we do not obtain sufficient protection for our intellectual property, or if we are unable to effectively enforce our intellectual property rights, our competitiveness could be impaired, which would limit our growth and future revenue.

We may also find it necessary to bring infringement or other actions against third parties to seek to protect our intellectual property rights. Litigation of this nature, even if successful, is often expensive and time-consuming to prosecute and there can be no assurance that we will have the financial or other resources to enforce our rights or be able to prevent other parties from developing similar products or processes or designing around our intellectual property.

We are and may continue to be subject to constraints on marketing our products.

We have committed and expect to continue committing significant resources and capital to develop and market existing products and new products and services. The development of our business and operating results may be adversely affected by applicable restrictions on sales and marketing activities imposed by regulatory bodies. Certain of the states in which we operate have enacted strict regulations regarding marketing and sales activities on cannabis products. There may be restrictions on sales and marketing activities imposed by government regulatory bodies that can hinder the development of our business and operating results. Restrictions may include regulations that specify what, where and to whom product information and descriptions may appear and/or be advertised. Marketing, advertising, packaging and labeling regulations also vary from state to state, potentially limiting the consistency and scale of consumer branding communication and product education efforts. The regulatory environment in the U.S. limits our ability to compete for market share in a manner similar to other industries. If we are unable to effectively market our products and compete for market share, or if the costs of compliance with government legislation and regulation cannot be absorbed through increased selling prices for our products, our sales and operating results could be adversely affected.

We face risks related to the results of future clinical research.

Research regarding the medical benefits, viability, safety, efficacy, dosing and social acceptance of cannabis or isolated cannabinoids (such as cannabidiol, commonly referred to as CBD, and tetrahydrocannabinol, commonly referred to as THC) remains in early stages. There have been relatively few clinical trials on the benefits of cannabis or isolated cannabinoids (such as CBD and THC). Although we believe that various articles, reports and studies support our beliefs regarding the medical benefits, viability, safety, efficacy, dosing and social acceptance of cannabis, future research and clinical trials may prove such statements to be incorrect, or could raise concerns regarding, and perceptions relating to, cannabis. Further, the federal illegality of cannabis and associated limits on our ability to properly fund and conduct research on cannabis and the lack of formal FDA oversight of cannabis, there is limited information about the long-term safety and efficacy of cannabis in its various forms, when combusted or combined with various cannabis and/or non-cannabis derived ingredients and materials or when

ingested, inhaled, or topically applied. Future research or oversight may reveal negative health and safety effects, which may significantly impact our reputation, operations and financial performance.

Given these risks, uncertainties and assumptions, prospective purchasers of shares of Class A common stock should not place undue reliance on such articles and reports. Future research studies and clinical trials may draw opposing conclusions to those stated in this prospectus or reach negative conclusions regarding the medical benefits, viability, safety, efficacy, dosing, social acceptance or other facts and perceptions related to cannabis, which could have a material adverse effect on the demand for our products, with the potential to have a material adverse effect on our business, prospects, revenue, results of operation and financial condition.

We face risks related to U.S. tax provisions related to controlled substances.

Limits on U.S. deductibility of certain expenses may have a material adverse effect on our financial condition, results of operations and cash flows. Section 280E ("**Section 280E**") of the United States Internal Revenue Code of 1986, as amended (the "**Code**"), prohibits businesses from deducting certain expenses associated with the trafficking of controlled substances (within the meaning of Schedule I and II of the CSA). The IRS has applied Section 280E broadly in tax audits against various cannabis businesses in the U.S. that are permitted under applicable state laws, seeking substantial sums in tax liabilities, interest and penalties resulting from under payment of taxes due to the lack of deductibility of otherwise ordinary business expenses the deduction of which is prohibited by Section 280E. Although the IRS issued a clarification allowing the deduction of certain expenses that can be categorized as cost of goods sold, the scope of such items is interpreted very narrowly, and the bulk of operating costs and general administrative costs are not permitted to be deducted. While there are currently several pending cases before various administrative and federal courts challenging these restrictions, there is no guarantee that these courts will issue an interpretation of Section 280E that is favorable to cannabis businesses.

If our tax filing positions were to be challenged by federal, state and local or foreign tax jurisdictions, we may not be wholly successful in defending our tax filing positions. We record reserves for unrecognized tax benefits based on our assessment of the probability of successfully sustaining tax filing positions. Management exercises significant judgment when assessing the probability of successfully sustaining tax filing positions, and in determining whether a contingent tax liability should be recorded and, if so, estimating the amount. If our tax filing positions are successfully challenged, payments could be required that are in excess of reserved amounts or we may be required to reduce the carrying amount of our net deferred tax asset, either of which result could be significant to our financial condition or results of operations.

We lack access to U.S. bankruptcy protections.

Because cannabis is illegal under U.S. federal law, and bankruptcy is a strictly federal proceeding, many courts have denied cannabis businesses federal bankruptcy protections, thus making it very difficult for lenders to recoup their investments in the cannabis industry in the event of a bankruptcy. If we were to seek protection from creditors pursuant to applicable bankruptcy or insolvency laws, there is no guarantee that U.S. federal bankruptcy protections would be available to our United States operations, which would have a material adverse effect on us, our lenders and other stakeholders. While state-level receivership options do exist in some states as an alternative to bankruptcy, the efficacy of these alternatives cannot be guaranteed.

Cannabis businesses may be subject to civil asset forfeiture.

As an entity that conducts business in the cannabis industry, we will potentially be subject to federal and state forfeiture laws (criminal and civil) that permit the government to seize the proceeds of criminal activity. Civil forfeiture laws could provide an alternative enforcement mechanism for the federal government, any state, or local police force that wants to discourage residents from conducting transactions with cannabis related businesses but believes criminal liability is too difficult to prove beyond a reasonable doubt. Individuals may be required to forfeit property considered to be from proceeds of crime even if the individual is not convicted of a criminal offense, and the standard of proof in a civil forfeiture matter is lower than the burden in a criminal matter. Depending on the applicable law, whether federal or state, rather than having to establish liability beyond a reasonable doubt, the

federal government or the state, as applicable, may be required to prove that the money or property at issue is proceeds of a crime only by either clear and convincing evidence or a mere preponderance of the evidence.

Our stockholders that are located in states where cannabis remains illegal may be at risk of prosecution under federal and/or state conspiracy, aiding and abetting, and money laundering statutes, and may be at further risk of losing their investments or proceeds thereof under forfeiture statutes. Many states remain able to take action to prevent the proceeds of cannabis businesses from entering their state. Because state legalization is relatively new, it remains to be seen whether these states would take such action and whether a court would approve it. Our stockholders and prospective stockholders should be aware of these potentially relevant federal and state laws in considering whether to invest in our securities.

We are subject to proceeds of crime statutes.

We will be subject to a variety of laws that concern money laundering, financial recordkeeping and proceeds of crime. These include: the Bank Secrecy Act, as amended by Title III of the USA Patriot Act, the Proceeds of Crime (Money Laundering) and Terrorist Financing Act (Canada), the rules and regulations under the Criminal Code of Canada and any related or similar rules, regulations or guidelines, issued, administered or enforced by governmental authorities in the United States and Canada.

In the event that any of our license agreements, or any proceeds thereof, in the United States were found to be in violation of money laundering legislation or otherwise, such transactions may be viewed as proceeds of crime under one or more of the statutes noted above, or any other applicable legislation. This could have a material adverse effect on us and, among other things, could restrict or otherwise jeopardize our ability to declare or pay dividends, effect other distributions or subsequently repatriate such funds back to Canada.

We face security risks.

The business premises of our operating locations are targets for theft. While we have implemented security measures at each location and continue to monitor and improve such security measures, our cultivation, processing and dispensary facilities could be subject to break-ins, robberies and other breaches in security. If there was a breach in security and we fell victim to a robbery or theft, the loss of cannabis plants, cannabis oils, cannabis flowers, other cannabis goods and cultivation and processing equipment could have a material adverse impact on our business, prospects, revenue, results of operation and financial condition.

As our business involves the movement and transfer of cash which is collected from dispensaries or patients/customers and deposited into our bank, there is a risk of theft or robbery during the transport of cash. Our transport, distribution, and delivery of finished cannabis goods inventory including but not limited to wholesale delivery of finished products to retail customers and delivery of finished goods to end consumers and other intermediaries, also is subject to risks of theft and robbery. We have engaged a security firm to provide security in the transport and movement of large amounts of cash and products. Employees sometimes transport cash and/or products and, if requested, may be escorted by armed guards. While we have taken robust steps to prevent theft or robbery of cash during transport, there can be no assurance that there will not be a security breach during the transport and the movement of cash involving the theft of product or cash.

Additionally, we store certain personally identifiable information, credit and debit card information and other confidential information of our customers on our systems. We may experience attempts by third parties to obtain unauthorized access to the personally identifiable information, credit and debit card information and other confidential information of our customers. This information could also be otherwise exposed through human error or malfeasance. The unauthorized access or compromise of this personally identifiable information, credit and debit card information and other confidential information could have could have a material adverse impact on our business, financial condition and results of operation.

We are a holding company.

We are a holding company and substantially all of our assets are the capital stock of our subsidiaries in our five geographic markets, including Illinois, Massachusetts, Michigan, New Jersey and Ohio. As a result, our stockholders are subject to the risks attributable to our subsidiaries and each individual state laws, rules, and regulatory schemes. As a holding company, we conduct substantially all of our business through our subsidiaries, which generate substantially all of our revenues. Consequently, our cash flows and ability to complete current or desirable future enhancement opportunities are dependent on the earnings of our subsidiaries and the distribution of those earnings to us. The ability of these entities to pay dividends and other distributions depends on their operating results and is subject to applicable laws and regulations, which require that solvency and capital standards be maintained by our subsidiaries and contractual restrictions are contained in the instruments governing their debt. In the event of a bankruptcy, liquidation or reorganization of any of our material subsidiaries, holders of indebtedness and trade creditors may be entitled to payment of their claims from the assets of those subsidiaries before us.

Competition for the acquisition and leasing of properties suitable for the cultivation, production and sale of medical and adult-use cannabis may impede our ability to make acquisitions or increase the cost of these acquisitions, which could adversely affect our operating results and financial condition.

We compete for the acquisition of properties suitable for the cultivation, production and sale of medical and adult-use cannabis with entities engaged in agriculture, real estate investment, consumer products manufacturing and retail activities, including corporate agriculture companies, cultivators, producers and sellers of cannabis. These competitors may prevent us from acquiring and leasing desirable properties, may cause an increase in the price we must pay for properties or may result in us having to lease our properties on less favorable terms than we expect. Our competitors may have greater financial and operational resources than we do and may be willing to pay more for certain assets or may be willing to accept more risk than we believe can be prudently managed. Larger companies may enjoy significant competitive advantages that result from, among other things, a lower cost of capital and enhanced operating efficiencies. Our competitors may also adopt transaction structures similar to ours, which would decrease our competitive advantage in offering flexible transaction terms. In addition, due to a number of factors, including but not limited to potential greater clarity of the laws and regulations governing medical use cannabis by state and federal governments, the number of entities and the amount of funds competing for suitable investment properties may increase, resulting in increased demand and increased prices paid for these properties. If we pay higher prices for properties or enter into leases for such properties on less favorable terms than we expect, our profitability and ability to generate cash flow and make distributions to our stockholders may decrease. Increased competition for properties may also preclude us from acquiring those properties that would generate attractive returns to us.

We face risks due to industry immaturity or limited comparable, competitive or established industry best practices.

As a relatively new industry, there are not many established operators in the medical and adult-use cannabis industries whose business models we can follow or build upon. Similarly, there is no or limited information about comparable companies available for potential investors to review in deciding about whether to invest in us.

Stockholders and investors should consider, among other factors, our prospects for success considering the risks and uncertainties encountered by companies, like us, that are in their early stages. For example, unanticipated expenses and problems or technical difficulties may occur, which may result in material delays in the operation of our business. We may fail to successfully address these risks and uncertainties or successfully implement our operating strategies. If we fail to do so, it could materially harm our business to the point of having to cease operations and could impair the value of the shares of Class A common stock to the extent that investors may lose their entire investments.

Our business is subject to the risks inherent in agricultural operations.

Medical and adult-use cannabis is an agricultural product. There are risks inherent in the cultivation business, such as insects, plant diseases and similar agricultural risks. Although the products are usually grown indoors or in

greenhouses under climate-controlled conditions, with conditions monitored, there can be no assurance that natural elements will not have a material adverse effect on the production of our products and, consequentially, on the anticipated business, financial condition or results of our operations.

We may be adversely impacted by rising or volatile energy costs and dependent on inputs.

Our cannabis cultivation operations consume considerable energy, which makes it vulnerable to rising energy costs. Accordingly, rising or volatile energy costs may adversely affect our business and our ability to operate profitably.

In addition, our business is dependent on a number of key inputs and their related costs, including raw materials and supplies related to our growing operations, as well as electricity, water and other utilities. Any significant interruption or negative change in the availability or economics of the supply chain for key inputs could materially impact our financial condition and operating results. Any inability to secure required supplies and services or to do so on appropriate terms could have a materially adverse impact on our business, financial condition and operating results.

We may encounter unknown environmental risks.

There can be no assurance that we will not encounter hazardous conditions, such as asbestos or lead, at the sites of the real estate used to operate our businesses, which may delay the development of our businesses. Upon encountering a hazardous condition, work at our facilities may be suspended. If we receive notice of a hazardous condition, we may be required to correct the condition prior to continuing construction. If additional hazardous conditions were present, it would likely delay construction and may require significant expenditure of our resources to correct the conditions. Such conditions could have a material impact on our investment returns.

We are dependent on key inputs, suppliers and skilled labor.

The cannabis industry is dependent on a number of key inputs and their related costs, including raw materials and supplies related to growing operations, as well as electricity, water and other local utilities. Any significant interruption or negative change in the availability or economics of the supply chain for key inputs, such as the raw material cost of cannabis, or natural or other disruptions to power or other utility systems, could materially impact our business, financial condition, results of operations or prospects. Some of these inputs may only be available from a single supplier or a limited group of suppliers. If a sole source supplier was to go out of business, we might be unable to find a replacement for such source in a timely manner, or at all. If a sole source supplier were to be acquired by a competitor, that competitor may elect not to sell to us in the future. Any inability to secure required supplies and services, or to do so on appropriate terms, could have a materially adverse impact on our business, prospects, revenue, results of operation and financial condition.

Our ability to compete and grow will be dependent on us having access, at a reasonable cost and in a timely manner, to skilled labor, equipment, parts and components. No assurances can be given that we will be successful in maintaining our required supply of skilled labor, equipment, parts and components. This could have an adverse effect on our financial results.

We must attract and maintain key personnel or our business will fail.

Our success is dependent upon the ability, expertise, judgment, discretion and good faith of our senior management and key personnel. We compete with other companies both within and outside the cannabis industry to recruit and retain competent employees. If one or more of our executive officers are unable or unwilling to continue in their present positions, we may not be able to replace them readily, if at all. We may also incur additional expenses to recruit and retain new executive officers.

Our continuing ability to attract and retain highly qualified personnel will also be critical to our success because we will need to hire and retain additional personnel as our business grows. There can be no assurance that we will be

able to attract or retain highly qualified personnel. We face significant competition for skilled personnel in our industries. In particular, if the cannabis industry continues to grow, demand for personnel may become more competitive. This competition may make it more difficult and expensive to attract, hire, and retain qualified managers and employees. Because of these factors, we may not be able to effectively manage or grow our business, which could adversely affect our financial condition, operations or prospects. As a result, the value of an investment in our securities could be significantly reduced or completely lost. If we cannot maintain qualified employees to meet the needs of our anticipated growth, our business and financial condition could be materially adversely affected.

We may be subject to growth-related risks.

We may be subject to growth-related risks, including capacity constraints and pressure on our internal systems and controls. Our ability to manage growth effectively will require us to continue to implement and improve our operational and financial systems and to expand, train and manage our employee base. Our inability to deal with this growth may have a material adverse effect on our business, prospects, revenue, results of operation and financial condition.

Our growth strategy is dependent upon expanding our product and service offerings into new business areas or new geographic markets. There can be no assurance that any new business areas and geographic markets will generate the clients and revenue anticipated. In addition, any expansion into new business areas or geographic markets could expose us to new risks, including compliance with applicable laws and regulations, changes in the regulatory or legal environment, differing customer preferences or habits, adverse exchange rate fluctuations, adverse tax consequences, difficulties staffing and managing new operations, infringement of third-party intellectual property rights, new costs to adapting our products and services for new markets, and difficulties collecting accounts receivable. As a result of such expansion, we may incur losses or otherwise fail to enter new markets successfully.

We face an inherent risk of product liability and similar claims.

As a distributor of products designed to be ingested by humans, we face an inherent risk of exposure to product liability claims, regulatory action and litigation if our products are alleged to have failed to meet expected standards or to have caused significant loss or injury. In addition, the sale of our products involves the risk of injury to consumers due to tampering by unauthorized third parties or product contamination. Previously unknown adverse reactions resulting from human consumption of our products alone or in combination with other medications or substances could occur. We may be subject to various product liability claims, including, among others, that our products caused injury, illness or death, include inadequate instructions for use or include inadequate warnings concerning possible side effects or interactions with other substances. As an agricultural product, the quality of cannabis is inherently variable, and consumers may raise claims that our quality control or labeling processes have not sufficiently ensured that our grown and manufactured processes are sufficient to meet expected standards.

A product liability claim or regulatory action against us could result in increased costs, could adversely affect our reputation with our clients and consumers generally and could have a material adverse effect on our business, results of operations and financial condition. There can be no assurances that we will be able to obtain or maintain product liability insurance on acceptable terms or with adequate coverage against potential liabilities. Such insurance is expensive and may not be available in the future on acceptable terms, or at all. The inability to obtain sufficient insurance coverage on reasonable terms or to otherwise protect against potential product liability claims could prevent or inhibit the commercialization of our potential products.

We may be exposed to infringement or misappropriation claims by third parties, which, if determined adversely to us, could subject us to significant liabilities and other costs.

Our success may depend on our ability to use and develop new extraction technologies, recipes, know-how and new strains of cannabis without infringing the intellectual property rights of third parties. We cannot assure that third parties will not assert intellectual property claims against us. We are subject to additional risks if entities licensing intellectual property to us do not have adequate rights to the licensed materials. If third parties assert copyright or

patent infringement or violation of other intellectual property rights against us, we will be required to defend ourselves in litigation or administrative proceedings, which can be both costly and time consuming and may significantly divert the efforts and resources of management personnel. An adverse determination in any such litigation or proceedings to which we may become a party could subject us to significant liability to third parties, require us to seek licenses from third parties, require us to pay ongoing royalties or subject us to injunctions that may prohibit the development and operation of our applications.

Our products may be subject to product recalls.

Manufacturers, distributors and retailers of products are sometimes subject to the recall or return of their products for a variety of reasons, including product defects, such as contamination, unintended harmful side effects or interactions with other substances, packaging safety and inadequate or inaccurate labeling disclosure. If any of our products or products sold at our retail stores are recalled due to an alleged product defect or for any other reason, we could be required to incur the unexpected expense of the recall and any legal proceedings that might arise in connection with the recall.

We may lose a significant amount of sales and may not be able to replace those sales at an acceptable margin, if at all. In addition, a product recall may require significant management attention. Although we have detailed procedures in place for testing our products and requiring compliant labeling of third-party products we sell, there can be no assurance that any quality, potency or contamination problems will be detected in time to avoid unforeseen product recalls, regulatory action or lawsuits. Additionally, if any of our brands were subject to recall, our image and the image of that brand could be harmed. A recall for any of the foregoing reasons could lead to decreased demand for our products and could have a material adverse effect on the results of our operations and financial condition. Additionally, product recalls may lead to increased scrutiny of our operations by the FDA, or other regulatory agencies, requiring further management attention and potential legal fees and other expenses.

We may face unfavorable publicity or consumer perception.

Our ability to generate revenue and be successful in the implementation of our business plan is dependent on consumer acceptance of and demand for our product lines. Management believes the medical and adult-use cannabis industry is highly dependent upon consumer perception regarding the safety, efficacy and quality of the cannabis produced.

Acceptance of our products depends on several factors, including availability, cost, ease of use, familiarity of use, convenience, effectiveness, safety and reliability. If customers do not accept our products, or if such products fail to adequately meet customers' needs and expectations, our ability to continue generating revenues could be affected.

Consumer perception of our current or proposed products may be significantly influenced by scientific research or findings, regulatory investigations, litigation, media attention and other publicity regarding the consumption of cannabis products. There can be no assurance that future scientific research, findings, regulatory proceedings, litigation, media attention or other research findings or publicity will be favorable to the cannabis market or any particular product, or consistent with earlier publicity. Future research reports, findings, regulatory proceedings, litigation, media attention or other publicity that is perceived as less favorable than, or questions earlier research reports, findings or publicity could have a material adverse effect on the demand for our products. Our dependence upon consumer perceptions means that such adverse reports, whether or not accurate or with merit, could ultimately have a material adverse effect on our business, results of operations, financial condition and cash flows.

Further, adverse publicity reports or other media attention regarding the safety, efficacy and quality of cannabis in general, or our products specifically, or associating the consumption of cannabis with illness or other negative effects or events, could have such a material adverse effect on us. Although we use quality control processes and procedures to ensure our consumer packaged goods meet our standards, a failure or alleged failure of such processes and procedures could result in negative consumer perception of our products or legal claims against us. Adverse

publicity reports or other media attention could arise even if the adverse effects associated with such products resulted from consumers' failure to consume such products appropriately or as directed.

Certain of our products are e-vapor or "vape" products. The use of vape products and vaping may pose health risks. According to the Centers for Disease Control, vape products may contain ingredients that are known to be toxic to humans and may contain other ingredients that may not be safe. Because clinical studies about the safety and efficacy of vape products have not been submitted to the FDA, consumers currently have no way of knowing whether they are safe for their intended use or what types or concentrations of potentially harmful chemicals or by-products are found in these products. It is also uncertain what implications the use of vape or other inhaled products, such as flower that is smoked, may have on respiratory illnesses such as that caused by COVID-19. Adverse findings, regulatory investigations, litigation, media attention and other publicity regarding the consumption of vape or other inhaled products, including adverse publicity regarding underage use of vape or other inhaled products, may adversely affect us.

We face intense competition.

We face intense competition from other companies, some of which have longer operating histories and more financial resources and manufacturing, retail and marketing experience than us. Increased competition by larger and better financed competitors could materially and adversely affect our business, financial condition and results of operations.

Because of the early stage of the industry in which we operate, we face additional competition from new entrants. If the number of consumers of cannabis in the states in which we operate our business increases, the demand for products and qualified talent will increase and we expect that competition will become more intense, as current and future competitors begin to offer an increasing number of diversified products. To remain competitive, we will require a continued high level of investment in research and development, marketing, sales, talent retention and client support. We may not have sufficient resources to maintain research and development, marketing, sales and client support efforts on a competitive basis, which could materially and adversely affect our business, financial condition and results of our operations.

Adverse changes in the wholesale and retail prices could result in earnings declines.

The cannabis industry is a margin-based business in which gross profits depend on the excess of sales prices over costs. Consequently, profitability is sensitive to shifts in wholesale and retail prices caused by changes in supply (which itself depends on other factors such as new entrants into retail markets, new entrants into the cultivation markets or cultivation expansions by existing operators, weather, fuel, equipment and labor costs, shipping costs, economic situation and demand), taxes, government programs and policies for the cannabis industry (including price controls and wholesale price restrictions that may be imposed by government agencies responsible for the sale of cannabis), and other market conditions, all of which are factors beyond our control. Our operating income may be significantly and adversely affected by a decline in the price of cannabis and will be sensitive to changes in the price of cannabis and the overall condition of the cannabis industry, as our profitability is directly related to the price of cannabis. There is currently not an established market price for cannabis and the price of cannabis is affected by numerous factors beyond our control. Any price decline may have a material adverse effect on us.

A decline in the price of the shares of Class A common stock could affect our ability to raise further capital and adversely impact our ability to continue operations.

A prolonged decline in the price of the shares of Class A common stock could result in a reduction in the liquidity of the shares of Class A common stock and a reduction in our ability to raise capital. Because a significant portion of our operations have been and will be financed through the sale of equity securities, a decline in the price of our common stock could be especially detrimental to our liquidity and our operations. Such reductions may force us to reallocate funds from other planned uses and may have a significant negative effect on our business plan and operations, including our ability to develop new products and continue our current operations. If our stock price

declines, there can be no assurance that we will be able to raise additional capital or generate funds from operations sufficient to meet our obligations. If we are unable to raise sufficient capital in the future, we may not be able to have the resources to continue our normal operations.

Our business is highly dependent upon our brand recognition and reputation, and the erosion or degradation of our brand recognition or reputation would likely adversely affect our business and operating results.

We believe that our business is highly dependent on the Ascend brand identity and our reputation, which is critical to our ability to attract and retain customers and consumers. We also believe that the importance of our brand recognition and reputation will continue to increase as competition in the markets in which we operate continues to develop. Our success in this area will depend on a wide range of factors, some of which are within our control and some of which are not. The factors affecting our brand recognition and reputation that are within our control include the following:

- the efficacy of our marketing efforts;
- our ability to maintain high satisfaction among consumers and customers;
- the quality of our products;
- our ability to successfully differentiate our products from competitors' products; and
- our compliance with laws and regulations.

In addition, our brand recognition and reputation may be affected by factors that are outside our control, such as:

- actions of competitors or other third parties;
- consumers' experiences with our services or products;
- positive or negative publicity, including with respect to events or activities attributed to us, our employees, partners or others associated with any of these parties; and
- litigation or regulatory developments.

Damage to our reputation and loss of brand equity from one or more of the factors listed above may reduce demand for our products and have an adverse effect on our business, operating results and financial condition. Moreover, any attempts to rebuild our reputation and restore the value of our brand may be costly and time-consuming, and such efforts may not ultimately be successful.

We may face competition from synthetic production and technological advances.

The pharmaceutical industry may attempt to dominate the cannabis industry, and in particular, legal cannabis, through the development and distribution of synthetic products which emulate the effects and treatment of organic cannabis. If they are successful, the widespread popularity of such synthetic products could change the demand, volume and profitability of the cannabis industry. This could materially adversely affect our ability to secure long-term profitability and success through the sustainable and profitable operation of its business. There may be unknown additional regulatory fees and taxes that may be assessed in the future.

We may have increased labor costs based on union activity.

Labor unions are working to organize workforces in the cannabis industry in general. Currently, there is no labor organization that has been recognized as a representative of our employees. However, it is possible that certain retail and/or manufacturing locations will be organized in the future, which could lead to work stoppages or increased labor costs and adversely affect our business, profitability and our ability to reinvest into the growth of our business. We cannot predict how stable our relationships with U.S. labor organizations would be or whether we would be able to meet any unions' requirements without impacting our financial condition. Labor unions may also limit our flexibility in dealing with our workforce. Work stoppages and instability in our union relationships could delay the production and sale of our products, which could strain relationships with customers and cause a loss of revenues which would adversely affect our operations.

Risks Related to Our Finances and Capital Requirements

We may face difficulties acquiring additional or traditional financing.

Due to the present state of the laws and regulations governing financial institutions in the U.S., banks often refuse to provide banking services to businesses involved in the cannabis industry. Consequently, it may be difficult for us to obtain financing from large U.S. financial institutions.

We have historically, and continue to have, access to equity and debt financing from non-public (i.e., private placement) markets. Our business plan continues to include aggressive growth, both in the form of additional acquisitions and through facility expansion and improvements. Accordingly, we may require equity and/or debt financing to support ongoing operations, to undertake capital expenditures or to undertake acquisitions and/or other business combination transactions. There can be no assurance that additional financing will be available to us when needed or on terms which are acceptable. Our inability to raise financing through traditional banking to fund ongoing operations, capital expenditures or acquisitions could limit our growth and may have a material adverse effect upon our business, prospects, revenue, results of operation and financial condition.

Our ability to utilize our net operating loss carryforwards and certain other tax attributes may be limited.

Under Section 382 and related provisions of the Code, if a corporation undergoes an "ownership change" (generally defined as a greater than 50% change (by value) in its equity ownership over a rolling three year period), the corporation's ability to use its pre-change net operating loss carryforwards and other pre-change tax attributes to offset its post-change income may be limited. We may, in the future as a result of subsequent shifts in our stock ownership, experience, an "ownership change." Thus, our ability to utilize carryforwards of our net operating losses and other tax attributes to reduce future tax liabilities may be substantially restricted for federal or state tax purposes.

Material acquisitions, dispositions and other strategic transactions involve a number of risks for us.

Material acquisitions, dispositions and other strategic transactions involve a number of risks for us, including: (i) potential disruption of our ongoing business; (ii) distraction of management; (iii) increased financial leverage; (iv) the anticipated benefits and cost savings of those transactions may not be realized or may take longer to realize than anticipated; (v) increased scope and complexity of our operations; and (vi) loss or reduction of control over certain of our assets.

Additionally, we may issue additional shares of Class A common stock in connection with such transactions, which would dilute a stockholder's holdings in us.

The presence of one or more material liabilities of an acquired company that are known, but believed to be immaterial, or unknown to us at the time of acquisition could have a material adverse effect on our business, prospects, revenue, results of operation and financial condition. A strategic transaction may result in a significant change in the nature of our business, operations and strategy. In addition, we may encounter unforeseen obstacles or costs in implementing a strategic transaction or integrating any acquired business into our operations.

We may experience risks relating to the closing of acquisitions or investments.

We may experience risks relating to the challenges and costs of closing an acquisition or investment, including the transfers of licenses, permits, cards or other property, and the risk that an announced transaction may not close. Completion of certain acquisition and investment transactions are conditioned upon, among other things, the receipt of necessary approvals, including the receipt of required regulatory clearances which could delay the completion a transaction for a significant period of time or prevent it from occurring at all.

In particular, the completion of our pending acquisitions of each of Hemma LLC, BCCO, LLC and Marichron Pharma LLC remain subject in all respects to approval by the relevant regulatory authorities in Ohio; the completion

of our pending acquisition of Chicago Alternative Health Center, LLC and Chicago Alternative Health Center Holdings, LLC remain subject in all respects to approval by the relevant regulatory authorities in Illinois; and our investment in MedMen NY, Inc. remains subject in all respects to approval by the relevant regulatory authorities in New York. Although we have no reason to believe we will not receive the requisite approvals for the foregoing transactions, there is a possibility that such approvals may not be received. Any combination of the failure to complete the foregoing transactions could have a material adverse effect on us and would prevent us from realizing the anticipated benefits of such transaction(s). We may also be liable for certain transaction costs, including legal and accounting fees, whether or not a transaction is completed.

We may invest in pre-revenue and other revenue-generating cannabis companies which may not be able to meet anticipated revenue targets in the future.

We may make investments in companies with no significant sources of operating cash flow and no revenue from operations. Our investments in such companies will be subject to risks and uncertainties that new companies with no operating history may face. In particular, there is a risk that our investment in these pre-revenue companies will not be able to meet anticipated revenue targets or will generate no revenue at all. The risk is that underperforming pre-revenue companies may lead to these businesses failing, which could have a material adverse effect on our business, prospects, revenue, results of operation and financial condition.

There can be no assurance that our current and future contractual relationships or strategic alliances or expansions of scope of existing relationships will have a beneficial impact on our business, financial condition and results of operations.

We currently have, and may in the future enter into, additional strategic alliances and partnerships with third parties that we believe will complement or augment our existing business. Our ability to complete strategic alliances is dependent upon, and may be limited by, the availability of suitable candidates and capital. In addition, strategic alliances could present unforeseen integration obstacles or costs, may not enhance our business and may involve risks that could adversely affect us, including significant amounts of management time that may be diverted from operations in order to pursue and complete such transactions or maintain such strategic alliances. Future strategic alliances could result in the incurrence of additional debt, costs and contingent liabilities, and there can be no assurance that future strategic alliances will achieve, or that our existing strategic alliances will continue to achieve, the expected benefits to our business or that we will be able to consummate future strategic alliances on satisfactory terms, if at all. Any of the foregoing could have a material adverse effect on our business, financial condition and results of operations.

Our sales are difficult to forecast.

As a result of recent and ongoing regulatory and policy changes in the medical and adult-use cannabis industries and unreliable levels of market supply, the market data available is limited and unreliable. We must rely largely on our own market research to forecast sales, as detailed forecasts are not generally obtainable from other sources in the states in which our business operates. Additionally, any market research and our projections of estimated total retail sales, demographics, demand and similar consumer research, are based on assumptions from limited and unreliable market data. Projections are inherently subject to varying degrees of uncertainty and their achievability depends on the timing and probability of a complex series of future events. There is no assurance that the assumptions upon which these projections are based will be realized. Actual results may differ materially from projected results for a number of reasons including increases in operating expenses, changes or shifts in regulations or applicable laws, undiscovered or unanticipated adverse industry and economic conditions, and unanticipated competition. Accordingly, our stockholders should not rely on any projections to indicate the actual results we might achieve.

Changes in our customer, product or competition mix could cause our product margin to fluctuate.

From time to time, we may experience changes in our customer mix, our product mix or our competition mix. Changes in our customer mix may result from geographic expansion or contractions, legislative or enforcement priority changes affecting the products we distribute, selling activities within current geographic markets and

targeted selling activities to new customer sectors. Changes in our product mix may result from marketing activities to existing customers, the needs communicated to us from existing and prospective customers and from legislative changes. Changes in our competition mix may result from well-financed competitors entering into our business segment. If customer demand for lower-margin products increases and demand for higher-margin products decreases, our business, results of operations and financial condition may suffer.

We have a limited operating history and a history of net losses and negative cash flows from operating activities, and we may not achieve or maintain profitability or positive cash flows in the future.

We began operating in May 2018 and have yet to generate a profit. We generated a net loss of $25.4 million ($61.7 million after giving effect to: the acquisition of MOCA, LLC, the acquisition of Chicago Alternative Health Center Holdings, LLC and Chicago Alternative Health Center Holdings, LLC and the investment in MedMen NY, Inc.; see the unaudited consolidated statement of operations of AWH giving effect to such transactions as if they each occurred on January 1, 2020 attached as Exhibit 99.7 to the registration statement of which this prospectus forms a part) and $31.9 million for the years ended December 31, 2020 and 2019, respectively. We had negative cash flows from operating activities of $6.0 million and $40.9 million during the years ended December 31, 2020 and 2019, respectively. Our "cash and cash equivalents" as of December 31, 2020 was approximately $56.5 million. We intend to continue to expend significant funds to expand our cultivation and processing facilities, make acquisitions and to fund our working capital. We cannot guarantee we will have a positive cash flow status in the future. To the extent we have negative cash flow in any future period, certain of the proceeds from the offering may be used to fund such negative cash flow from operating activities.

Our efforts to grow our business may be more costly than we expect and we may not be able to increase our revenue enough to offset higher operating expenses. We may incur significant losses in the future for a number of reasons, including as a result of unforeseen expenses, difficulties, complications and delays, the other risks described in this prospectus and other unknown events. The amount of future net losses will depend, in part, on the growth of our future expenses and our ability to generate revenue. If we continue to incur losses in the future, the net losses and negative cash flows incurred to date, together with any such future losses, will have an adverse effect on our stockholders' equity and working capital. Because of the numerous risks and uncertainties associated with producing cannabis products, as outlined herein, we are unable to accurately predict when, or if, we will be able to achieve profitability. Even if we achieve profitability in the future, we may not be able to sustain profitability in subsequent periods. If we are unable to achieve and sustain profitability, the market price of our Class A common stock may significantly decrease and our ability to raise capital, expand our business or continue our operations may be impaired. A decline in our value may also cause you to lose all or part of your investment.

We will incur increased costs as a result of operating as a public company and our management will be required to devote substantial time to new compliance initiatives.

Historically, we have operated as a private company. As a public company, we will incur significant legal, accounting and other expenses that we did not incur as a private company. In addition, the Sarbanes-Oxley Act of 2002 and rules implemented by SEC, and CSE, and equivalent rules and regulations in Canada, impose various requirements on public companies, including requirements to file certain periodic and event-driven reports with respect to our business and financial condition and operations and establish and maintain effective disclosure and financial controls and corporate governance practices. In addition, we will incur costs in connection with the Conversion and this offering, including costs related to a contingent beneficial conversion feature which may result in a non-cash expense of approximately $27.4 million, as described further in "*Management's Discussion and Analysis of Financial Condition and Results of Operations - Other Matters*",

Our management and other personnel have limited experience operating a public company, which may result in operational inefficiencies or errors, or a failure to improve or maintain effective internal controls over financial reporting, and disclosure controls and procedures, necessary to ensure timely and accurate reporting of operational and financial results. Our existing management team will need to devote a substantial amount of time to these compliance initiatives, and we may need to hire additional personnel to assist us with complying with these

requirements. Moreover, these rules and regulations will increase our legal and financial compliance costs and will make some activities more time consuming and costly.

In addition, changing laws, regulations and standards relating to corporate governance and public disclosure are creating uncertainty for public companies, increasing legal and financial compliance costs and making some public company required activities more time consuming. These laws, regulations and standards are subject to varying interpretations, in many cases due to their lack of specificity and, as a result, their application in practice may evolve over time as new guidance is provided by regulatory and governing bodies. This could result in continuing uncertainty regarding compliance matters and higher costs necessitated by ongoing revisions to disclosure and governance practices. We intend to invest resources to comply with evolving laws, regulations and standards, and this investment may result in increased general and administrative expenses and divert management's time and attention from revenue generating activities to compliance activities. If our efforts to comply with new laws, regulations and standards differ from the activities intended by regulatory or governing bodies, regulatory authorities may initiate legal proceedings against us and our business may be harmed.

We also expect that being a public company and complying with applicable rules and regulations will make it more expensive for us to obtain director and officer liability insurance, and we may be required to incur substantially higher costs to obtain and maintain the same or similar coverage that is currently in place. These factors could also make it more difficult for us to attract and retain qualified executive officers and members of our Board.

There is no assurance that our management's past experience will be sufficient to enable us to operate successfully as a public company.

There is no guarantee that our current cash position, expected revenue growth and anticipated financing transactions will be sufficient to fund our operations for the next twelve months.

We have an accumulated deficit of $63,592 and $38,153 as of December 31, 2020 and 2019, respectively, as well as a net loss and negative cash flows from operating activities for the reporting periods then-ended. The recurring net losses and negative cash flows from operating activities are indicators of substantial doubt as to our ability to continue as a going concern for at least one year from issuance of the audited financial statements included in this prospectus. If we are unable to raise additional capital on favorable terms, if at all, during the next twelve months, we may be forced to decelerate or curtail certain of our operations until such time as additional capital becomes available.

See "*Management's Discussion and Analysis of Financial Condition and Results of Operations - Liquidity and Capital Resources*" for a discussion regarding management's belief that the substantial doubt of our ability to continue as a going concern for at least one year from the issuance of the financial statements included in this prospectus has been alleviated.

We are subject to a number of restrictive debt covenants under our loan agreements.

Many of our loan agreements contain certain restrictive covenants, which restrict our ability to, among other things, incur additional indebtedness, incur certain liens on our assets or sell assets, make investments, make capital expenditures, pay dividends and make other restricted payments. Many of our loan agreements also require us to maintain specified financial ratios under certain conditions and satisfy financial condition tests, including minimum cash balances and debt to assets ratios.

Our ability to meet those financial ratios and tests and otherwise comply with our financial covenants may be affected by the factors described herein and other factors outside our control, and we may not be able to meet those ratios, tests and covenants. Our ability to generate sufficient cash from operations to meet our debt obligations will depend upon our future operating performance, which will be affected by general economic, financial, competitive, business and other factors beyond our control. A breach of any of these covenants, ratios, tests or restrictions, as applicable, or any inability to pay interest on, or principal of, our outstanding debt as it becomes due could result in an event of default. Upon an event of default, if not waived by our lenders, our lenders may declare all amounts

outstanding as due and payable. Such an acceleration of the maturity of our indebtedness may, among other things, prevent or limit us from engaging in transactions that benefit us, including responding to changing business and economic conditions and taking advantage of attractive business opportunities.

General Risk Factors

Additional issuances of shares of Class A common stock may result in further dilution.

We may issue additional equity or convertible debt securities in the future, which may dilute an existing stockholder's holdings. Our certificate of incorporation permits the issuance of shares of our Class A common stock, and existing stockholders will have no preemptive rights in connection with such further issuances. Our Board has discretion to determine the price and the terms of further issuances, and such terms could include rights, preferences and privileges superior to those existing holders of shares of Class A common stock. To the extent holders of our options or other convertible securities convert or exercise their securities and sell shares of Class A common stock they receive, the trading price of the shares of Class A common stock may decrease due to the additional amount of shares of Class A common stock available in the market. We cannot predict the size or nature of future issuances or the effect that future issuances and sales of shares of Class A common stock will have on the market price of the shares of Class A common stock. Issuances of a substantial number of additional shares of Class A common stock, or the perception that such issuances could occur, may adversely affect prevailing market prices for the shares of Class A common stock. With any additional issuance of shares of Class A common stock, our investors will suffer dilution to their voting power and economic interest.

Sales of substantial amounts of shares of Class A common stock by our existing stockholders in the public market may have an adverse effect on the market price of the shares of Class A common stock.

Sales of a substantial number of shares of Class A common stock in the public market could occur at any time, subject to certain restrictions described below. These sales, or the perception in the market that holders of many shares intend to sell shares, or the availability of such securities for sale, could adversely affect the prevailing market prices for the shares of Class A common stock. A decline in the market prices of the shares of Class A common stock could impair our ability to raise additional capital through the sale of securities should it desire to do so.

If securities or industry analysts do not publish or cease publishing research or reports or publish misleading, inaccurate or unfavorable research about us, our business or our market, our stock price and trading volume could decline.

The trading market for our shares of Class A common stock will be influenced by the research and reports that securities or industry analysts publish about us, our business, our market or our competitors. If no or few securities or industry analysts cover us, the trading price and volume of our shares would likely be negatively impacted. If one or more of the analysts who covers us downgrades our shares or publishes inaccurate or unfavorable research about our business, or provides more favorable relative recommendations about our competitors, our stock price would likely decline. If one or more of these analysts ceases coverage of us or fails to publish reports on us regularly, demand for our shares could decrease, which could cause our stock price or trading volume to decline.

We are eligible to be treated as an "emerging growth company" as defined in the JOBS Act, and we cannot be certain if the reduced disclosure requirements applicable to emerging growth companies will make the shares of Class A common stock less attractive to investors.

We are an "emerging growth company," as defined in the JOBS Act. For as long as we continue to be an emerging growth company, we may take advantage of exemptions from various reporting requirements that are applicable to other public companies that are not emerging growth companies, including (1) not being required to comply with the auditor attestation requirements of Section 404 of the Sarbanes-Oxley Act of 2002, (2) reduced disclosure obligations regarding executive compensation in this prospectus and periodic reports and proxy statements, and (3) exemptions from the requirements of holding a nonbinding advisory vote on executive compensation and stockholder approval of any golden parachute payments not previously approved. We could be an

emerging growth company for up to five years, although circumstances could cause us to lose that status earlier, including if the market value of the shares of Class A common stock held by non-affiliates exceeds $700 million as of , or if we have total annual gross revenue of $1.07 billion or more during any fiscal year before that time, in which case we would no longer be an emerging growth company as of the following December 31. Additionally, if we issue more than $1.0 billion in non-convertible debt during any three-year period before , we would cease to be an emerging growth company immediately. We cannot predict if investors will find the shares of Class A common stock less attractive because we may rely on these exemptions. If some investors find the shares of Class A common stock less attractive as a result, there may be a less active trading market for the shares of Class A common stock, and the stock price may be more volatile.

Under the JOBS Act, emerging growth companies can also delay adopting new or revised accounting standards until such time as those standards apply to private companies.

We have broad discretion in the use of our cash, cash equivalents, and investments, including the net proceeds from this offering, and may not use them effectively.

Our management will have broad discretion in the application of our cash, cash equivalents, and investments, including the net proceeds from this offering, and could spend the proceeds in ways that do not improve our results of operations or enhance the value of our Class A common stock. We intend to use the proceeds from this offering as described in "*Use of Proceeds."* We could spend the proceeds in ways that our stockholders may not agree with. The failure by our management to apply these funds effectively could result in financial losses that could have a material adverse impact on our business, cause the price of our Class A common stock to decline, and delay the development of additional products or the opening of new locations. Pending their use, we may invest our cash, cash equivalents, and investments, including the net proceeds from this offering, in a manner that does not produce income or that loses value. See the section titled "*Use of Proceeds*" appearing elsewhere in this prospectus.

Changes in U.S. tax law may adversely affect us or our investors.

The rules dealing with U.S. federal, state and local income taxation are constantly under review by persons involved in the legislative process and by the IRS and the U.S. Treasury Department. Changes to tax laws (which changes may have retroactive application) could adversely affect us or holders of our common stock. In recent years, many changes have been made and changes are likely to continue to occur in the future.

For example, the Tax Cuts and Jobs Act was enacted in 2017 and made significant changes to corporate taxation, including the reduction of the corporate tax rate from a top marginal rate of 35% to a flat rate of 21%, which is a historically low rate. On March 27, 2020, President Trump signed into law the Coronavirus Aid, Relief, and Economic Security Act, which included certain changes in tax law intended to stimulate the U.S. economy in light of the COVID-19 coronavirus outbreak, including temporary beneficial changes to the treatment of net operating losses, interest deductibility limitations and payroll tax matters.

In light of the election of Joseph Biden, it cannot be predicted whether, when, in what form, or with what effective dates, new tax laws may be enacted, or regulations and rulings may be enacted, promulgated or issued under existing or new tax laws, which could result in an increase in our or our stockholders' tax liability or require changes in the manner in which we operate in order to minimize or mitigate any adverse effects of changes in tax law or in the interpretation thereof.

We face exposure to fraudulent or illegal activity by employees, contractors and consultants.

We face exposure to the risk that employees, independent contractors or consultants may engage in fraudulent or other illegal activities. Misconduct by these parties could be intentional, reckless and/or negligent conduct. There may be disclosure of unauthorized activities that violate government regulations, manufacturing standards, healthcare laws, abuse laws and other financial reporting laws. Further, it may not always be possible for us to identify and deter misconduct by our employees and other third parties, and the precautions we take to detect and prevent these activities may not always be effective in controlling unknown or unmanaged risks or losses, or in

protecting us from governmental investigations or other actions or lawsuits stemming from a failure to be in compliance with such laws or regulations. If any such actions are instituted against us, and we are not successful in defending ourselves or asserting our rights, those actions could have a significant impact on our business, including the imposition of civil, criminal and administrative penalties, damages, monetary fines, contractual damages, reputational harm, diminished profits and future earnings, or curtailment of our operations, any of which could have a material adverse effect on our business, financial condition, results of operations or prospects.

Our reputation and ability to do business may be negatively impacted by the improper conduct by our business partners, employees or agents.

In certain states, we depend on third-party suppliers to produce and ship our orders. Products purchased from our suppliers are resold to our customers. These suppliers could fail to produce products to our specifications or quality standards and may not deliver units on a timely basis. Any changes in our suppliers' production or product availability could impact our ability to fulfill orders and could also disrupt our business due to delays in finding new suppliers.

Furthermore, we cannot provide assurance that our internal controls and compliance systems will protect us from acts committed by our employees, agents or business partners in violation of U.S. federal or state or local laws. Any improper acts or allegations could damage our reputation and subject us to civil or criminal investigations and related stockholder lawsuits, could lead to substantial civic and criminal monetary and non-monetary penalties and could cause us to incur significant legal and investigatory fees.

We face risks related to our information technology systems, and potential cyber-attacks and security breaches.

Our operations depend, in part, on how well we and our suppliers protect networks, equipment, information technology ("**IT**") systems and software against damage and threats, including, but not limited to, cable cuts, damage to physical plants, natural disasters, intentional damage and destruction, fire, power loss, hacking, computer viruses, vandalism and theft. We are susceptible to operational, financial and information security risks resulting from cyber-attacks and/or malfunctioning technology. Our operations also depend on the timely maintenance and replacement of network equipment, IT systems and software, as well as preemptive expenses to mitigate associated risks. Any of the foregoing and other events could result in information system failures, delays, increase in capital expenses, financial losses, the inability to process transactions, the unauthorized release of customer information and reputational risk. If there was a breach in security or if there was a failure in information systems, it could adversely affect our reputation and business continuity.

Additionally, we may store and collect personal information about customers and are responsible for protecting that information from privacy breaches that may occur through procedural or process failure, IT malfunction or deliberate unauthorized intrusions. We are subject to laws, rules and regulations in the United States and other jurisdictions relating to the collection, processing, storage, transfer and use of personal data. Our ability to execute transactions and to possess and use personal information and data in conducting our business subjects us to legislative and regulatory burdens that may require us to notify regulators and customers, employees and other individuals of a data security breach. Any such theft or privacy breach would have a material adverse effect on our business, prospects, revenue, results of operation and financial condition.

In addition, non-compliance could result in proceedings against us by governmental entities and/or significant fines, could negatively impact our reputation and may otherwise adversely impact our business, financial condition and operating results.

We have not experienced any material losses to date relating to cyber-attacks or other information security breaches, but there can be no assurance that we will not incur such losses in the future. Our risk and exposure to these matters cannot be fully mitigated because of, among other things, the evolving nature of these threats. As a result, cyber security and the continued development and enhancement of controls, processes and practices designed to protect systems, computers, software, data and networks from attack, damage or unauthorized access is a priority.

As cyber threats continue to evolve, we may be required to expend additional resources to continue to modify or enhance protective measures or to investigate and remediate any security vulnerabilities.

We face risks related to our insurance coverage and uninsurable risks.

Our business is subject to a number of risks and hazards generally, including adverse environmental conditions, accidents, labor disputes, destruction from civil unrest and changes in the regulatory environment. Such occurrences could result in damage to assets, personal injury or death, environmental damage, delays in operations, monetary losses and possible legal liability.

Although we intend to continue to maintain insurance to protect against certain risks in such amounts as we consider to be reasonable, our insurance will not cover all the potential risks associated with our operations. We may also be unable to maintain insurance to cover these risks at economically feasible premiums. Insurance coverage may not continue to be available or may not be adequate to cover any resulting liability. Moreover, insurance against risks such as environmental pollution or other hazards encountered in our operations is not generally available on acceptable terms. We might also become subject to liability for pollution or other hazards which it may not be insured against or which we may elect not to insure against because of premium costs or other reasons. Losses from these events may cause us to incur significant costs that could have a material adverse effect upon our financial performance and results of operations.

We may be subject to litigation.

We may become party to litigation from time to time in the ordinary course of business, which could adversely affect our business. Should any litigation in which we become involved be determined against us, such a decision could adversely affect our ability to continue operating and the market price for the shares of Class A common stock and could potentially use significant resources. Even if we are successful in litigation, litigation can redirect our significant resources and/or the significant resources of our subsidiaries.

We may be negatively impacted by challenging global economic conditions.

Our business, financial condition, results of operations and cash flow may be negatively impacted by challenging global economic conditions. For example and as discussed in more detail below, since early 2020, the U.S. and other world economies have experienced turmoil due to the outbreak of a novel strain of coronavirus ("**COVID-19**"), which has resulted in global economic uncertainty.

A global economic slowdown would cause disruptions and extreme volatility in global financial markets, increased rates of default and bankruptcy and declining consumer and business confidence, which can lead to decreased levels of consumer spending. These macroeconomic developments could negatively impact our business, which depends on the general economic environment and levels of consumer spending. As a result, we may not be able to maintain our existing customers or attract new customers, or we may be forced to reduce the price of our products. We are unable to predict the likelihood of the occurrence, duration or severity of such disruptions in the credit and financial markets or adverse global economic conditions. Any general or market-specific economic downturn could have a material adverse effect on our business, financial condition, results of operations and cash flow.

Additionally, the U.S. has imposed and may impose additional quotas, duties, tariffs, retaliatory or trade protection measures or other restrictions or regulations and may adversely adjust prevailing quota, duty or tariff levels, which can affect both the materials that we use to package our products and the sale of finished products. For example, the tariffs imposed by the U.S. on materials from China are impacting materials that we import for use in packaging in the U.S. Measures to reduce the impact of tariff increases or trade restrictions, including geographical diversification of our sources of supply, adjustments in packaging design and fabrication or increased prices, could increase our costs, delay our time to market and/or decrease sales. Other governmental action related to tariffs or international trade agreements has the potential to adversely impact demand for our products and our costs, customers, suppliers and global economic conditions and cause higher volatility in financial markets. While we

actively review existing and proposed measures to seek to assess the impact of them on our business, changes in tariff rates, import duties and other new or augmented trade restrictions could have a number of negative impacts on our business, including higher consumer prices and reduced demand for our products and higher input costs.

We are subject to risks arising from epidemic diseases, such as the outbreak of the COVID-19 illness.

In December 2019, COVID-19 emerged in Wuhan, China. Since then, it has spread to several other countries and infections have been reported around the world. On March 11, 2020, the World Health Organization declared the outbreak of COVID-19 a global pandemic. A public health epidemic, including COVID-19, or the fear of a potential pandemic, poses the risk that we or our employees, contractors, suppliers, and other partners may be prevented from conducting business activities for an indefinite period of time, including due to shutdowns or other preventative measures taken to limit the potential impact from a public health epidemic that may be requested or mandated by governmental authorities.

Our priorities during the COVID-19 pandemic are protecting the health and safety of our employees and our customers, following the recommended actions of government and health authorities. In the future, the pandemic may cause reduced demand for our products and services if, for example, the pandemic results in a recessionary economic environment. Our operations are currently ongoing as the cultivation, processing and sale of cannabis products is currently considered an essential business by all states in which we operate with respect to all customers (except in Massachusetts where only medical use cannabis has been deemed essential). Our ability to continue to operate without any significant negative operational impact from the COVID-19 pandemic will in part depend on our ability to protect our employees, customers and supply chain, as well as our continued designation as “essential” in states where we do business that currently or in the future impose restrictions on business operations.

While it is not possible at this time to estimate the impact that COVID-19 (or any other actual or potential pandemic) could have on our business, the continued spread of COVID-19 (or any other actual or potential pandemic) and the measures taken by the governments of countries affected could disrupt the supply chain and the manufacture or shipment or sale of our products and adversely impact our business, financial condition or results of operations. It could also affect the health and availability of our workforce at our facilities, as well as those of our suppliers, particularly those in China and India. The COVID-19 outbreak and mitigation measures may also have an adverse impact on global economic conditions which could have an adverse effect on our business and financial condition. The extent to which the COVID-19 outbreak impacts our results will depend on future developments that are highly uncertain and cannot be predicted, including new information that may emerge concerning the severity of the virus and the actions to contain its impact. Because cannabis remains federally illegal, it is possible that we would not be eligible to participate in any government relief programs (such as federal loans or access to capital) resulting from COVID-19 or any other actual or potential pandemic.

Our internal controls over financial reporting may not be effective, and our independent auditors may not be able to certify as to their effectiveness, which could have a significant and adverse effect on our business.

We are subject to various SEC reporting and other regulatory requirements. We have incurred and will continue to incur expenses and, to a lesser extent, diversion of our management’s time in our efforts to comply with Section 404 of the Sarbanes-Oxley Act of 2002 regarding internal controls over financial reporting. Effective internal controls over financial reporting are necessary for us to provide reliable financial reports and, together with adequate disclosure controls and procedures, are designed to prevent fraud. Any failure to implement required new or improved controls, or difficulties encountered in their implementation could cause us to fail to meet our reporting obligations. In addition, any testing by us conducted in connection with Section 404 of the Sarbanes-Oxley Act of 2002, or the subsequent testing by our independent registered public accounting firm when required, may reveal deficiencies in our internal controls over financial reporting that are deemed to be material weaknesses or that may require prospective or retrospective changes to our consolidated financial statements or identify other areas for further attention or improvement. Inferior internal controls could also cause investors to lose confidence in our reported financial information, which could have a negative effect on the trading price of our shares of Class A common stock.

Our internal controls over financial reporting may not be effective and our independent registered public accounting firm may not be able to certify as to their effectiveness, which could have a significant and adverse effect on our business and reputation.

As a public company, we will be required to evaluate our internal controls over financial reporting. Furthermore, at such time as we cease to be an "emerging growth company," as more fully described in these Risk Factors, we shall also be required to comply with Section 404. At such time we may identify material weaknesses that we may not be able to remediate in time to meet the applicable deadline imposed upon us for compliance with the requirements of Section 404. In addition, if we fail to achieve and maintain the adequacy of our internal controls, as such standards are modified, supplemented or amended from time to time, we may not be able to ensure that we can conclude on an ongoing basis that we have effective internal controls over financial reporting in accordance with Section 404. We cannot be certain as to the timing of completion of our evaluation, testing and any remediation actions or the impact of the same on our operations. If we are not able to implement the requirements of Section 404 in a timely manner or with adequate compliance, our independent registered public accounting firm may issue an adverse opinion due to ineffective internal controls over financial reporting and we may be subject to sanctions or investigation by regulatory authorities, such as the SEC. As a result, there could be a negative reaction in the financial markets due to a loss of confidence in the reliability of our financial statements. In addition, we may be required to incur costs in improving our internal control system and the hiring of additional personnel. Any such action could negatively affect our results of operations and cash flows.

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

This prospectus contains "forward-looking statements" that involve risks and uncertainties, as well as assumptions that, if they never materialize or prove incorrect, could cause our results to differ materially from those expressed or implied by such forward-looking statements. The statements contained in this prospectus that are not purely historical are "forward-looking statements" within the meaning of applicable securities legislation. Forward-looking statements are identified by the use of words such as, but not limited to, "anticipate," "believe," "continue," "could," "estimate," "prospects," "forecasts," "expect," "intend," "may," "will," "plan," "target," and similar expressions or variations intended to identify forward-looking statements. These statements are based on the beliefs and assumptions of our management based on information currently available to management. Such forward-looking statements are subject to risks, uncertainties and other important factors that could cause actual results and the timing of certain events to differ materially from future results expressed or implied by such forward-looking statements. Factors that could cause or contribute to such differences include, but are not limited to, factors discussed in the section entitled "*Risk Factors*" in this prospectus.

By way of example, and without implied limitation, such risks and uncertainties include:

- the effect of the volatility of the market price and liquidity risks on shares of our Class A common stock;
- the effect of the voting control exercised by holders of Class B common stock;
- our ability to attract and maintain key personnel;
- our ability to continue to open new retail locations, processing facilities and cultivation facilities as anticipated;
- our ability to increase production capacity as anticipated;
- the illegality of cannabis under federal law;
- our ability to comply with state and federal regulations;
- the uncertainty regarding enforcement of cannabis laws;
- the effect of restricted access to banking and other financial services;
- the effect of constraints on marketing and risks related to our products;
- the effect of unfavorable tax treatment for cannabis businesses;
- the effect of security risks;
- the effect of infringement or misappropriation claims by third parties;
- our ability to comply with potential future FDA regulations;
- our ability to enforce our contracts;
- the effect of unfavorable publicity or consumer perception;
- the effect of risks related to material acquisitions, dispositions and other strategic transactions;
- the effect of agricultural and environmental risks;
- the effect of risks related to information technology systems;
- the effect of product liability claims and other litigation to which we may be subjected;
- the effect of risks related to the results of future clinical research;
- the effect of intense competition in the industry;
- the effect of outbreaks of pandemic diseases, fear of such outbreaks or economic disturbances due to such outbreaks, particularly the impact of the COVID-19 illness; and
- the effect of general economic risks, such as the unemployment level, interest rates and inflation, and challenging global economic conditions.

For more information regarding these and other uncertainties and factors that could cause our actual results to differ materially from what we have anticipated in our forward-looking statements or otherwise could materially adversely affect our business, financial condition or operating results, see the section entitled "*Risk Factors*" in this prospectus. The risks and uncertainties described above and in the section entitled "*Risk Factors*" in this prospectus are not exclusive and further information concerning us and our business, including factors that potentially could materially affect our financial results or condition, may emerge from time to time. We assume no obligation to update, amend or clarify any forward-looking statement or departures from them, except as required by applicable law.

MARKET AND INDUSTRY DATA

This prospectus contains statistical data and estimates regarding market and industry data. Unless otherwise indicated, information concerning our industry and the markets in which we operate, including our general expectations, market position, market opportunity and market size, are based on our management's knowledge and experience in the markets in which we operate, together with currently available information obtained from various sources, including publicly available information, industry reports and publications, surveys, our customers, trade and business organizations and other contacts in the markets in which we operate. Certain information is based on management estimates, which have been derived from third-party sources, as well as data from our internal research, and are based on certain assumptions that we believe to be reasonable. Industry publications, surveys and forecasts generally state that the information contained therein has been obtained from sources believed to be reliable. We have not independently verified any of the information from third-party sources nor have we ascertained the validity or accuracy of the underlying economic assumptions relied upon therein. Actual outcomes may vary materially from those forecast in the reports or publications referred to herein, and the prospect for material variation can be expected to increase as the length of the forecast period increases. Because this information involves a number of assumptions and limitations, you are cautioned not to give undue weight to these estimates. The industry in which we operate is subject to a high degree of uncertainty and risk due to a variety of factors, including those described in the section entitled "*Risk Factors*."

MARKET RISK

Market risk is the risk of loss arising from adverse changes in market rates and prices, such as interest rates, foreign exchange rates, raw material and other commodity prices.

Interest Rate Risk. Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Cash and cash equivalents bear interest at market rates. Our financial debts have fixed rates of interest and therefore expose us to a limited interest rate fair value risk.

Commodities Price Risk. Price risk is the risk of variability in fair value due to movements in equity or market prices. The primary raw materials we use, aside from those cultivated internally, are labels and packaging. Management believes a hypothetical 10% change in the price of these materials would not have a significant effect on our consolidated annual results of operations or cash flows, as these costs are generally passed through to our customers. However, such an increase could have an impact on our customers' demand for our products, and we are not able to quantify the impact of such potential change in demand on our annual results of operations or cash flows.

COVID-19 Risk. We are monitoring COVID-19 closely, and although our operations have not been materially affected by the COVID-19 outbreak to date, the ultimate severity of the outbreak and its impact on the economic environment is uncertain. Our operations are ongoing as the cultivation, processing and sale of cannabis products is currently considered an essential business by the states in which we operate with respect to all customers (except for Massachusetts, where cannabis has been deemed essential only for medical patients). In all locations where regulations have been enabled by governmental authorities, we have expanded consumer delivery options and curbside pickup to help protect the health and safety of our employees and customers. The pandemic has not materially impacted our business operations or liquidity position to date. We continue to generate operating cash flows to meet our short-term liquidity needs. The uncertain nature of the spread of COVID-19 may impact our business operations for reasons including the potential quarantine of our employees or those of our supply chain partners or a change in our designation as "essential" in states where we do business that currently or in the future impose restrictions on business operations.

CORPORATE CONVERSION AND CORPORATE STRUCTURE

Immediately prior to the effectiveness of the registration statement of which this prospectus forms a part, we will engage in the following transactions, which we refer to collectively as the Conversion:

- we will convert from a Delaware limited liability company to a Delaware corporation by filing a certificate of conversion with the Delaware Secretary of State; and
- we will change our name from "Ascend Wellness Holdings, LLC" to "Ascend Wellness Holdings, Inc."

As part of the Conversion:

- we will create two classes of authorized common stock, Class A common stock and Class B common stock;
- holders of Series Seed Preferred and Series Seed Preferred+ Units of AWH will receive one share of Class A common stock of Ascend Wellness Holdings, Inc. for each unit of Series Seed Preferred and Series Seed Preferred+ Units held immediately prior to the Conversion;
- holders of Real Estate Preferred Units of AWH will receive, for each unit of Real Estate Preferred Units of AWH, a number of shares of Class A common stock of Ascend Wellness Holdings, Inc. equal to (x) one plus (y) (A) the original purchase price of such Real Estate Preferred Unit multiplied by 1.5, divided by (B) the price at which we are offering Class A common stock pursuant to this offering;
- holders of common units of AWH will receive one share of Class A common stock of Ascend Wellness Holdings, Inc. for each common unit held immediately prior to the Conversion;
- holders of restricted common units issued under the 2020 Incentive Plan (as defined below) will receive one share of Class A common stock of Ascend Wellness Holdings, Inc. for each restricted common unit held immediately prior to the Conversion;
- holders of convertible notes will convert into shares of Class A common stock in accordance with the terms of the note purchase agreement, dated June 12, 2019, between the Company and the purchasers of the convertible notes (the "**2019 Convertible Notes**"). The holders of 2019 Convertible Notes will receive a number of shares of Class A common stock equal to (a) the outstanding principal and accrued and unpaid interest under the notes divided by (b) a price per share equal to the lesser of (i) 20% of a discount to the price per share of Class A common stock offered pursuant to this offering and (ii) , which represents the price per share resulting from a pre-money valuation of the company of $295,900,000;
- holders of convertible notes will convert into shares of Class A common stock in accordance with the terms of the note purchase agreement, dated January 6, 2021, between the Company and the purchasers of the convertible notes (the "**2021 Convertible Notes**"). The holders of 2021 Convertible Notes will receive a number of shares of Class A common stock equal to (a) the outstanding principal and accrued and unpaid interest under the notes divided by (b) a price per share equal to the lesser of (i) 20% of a discount to the price per share of Class A common stock offered pursuant to this offering and (ii) $3.00 per share of Class A common stock.
- holders of warrants to acquire 7,062,285 common units of AWH at an exercise price of $2.00 per share will receive warrants to acquire an equal number of shares Class A common stock; and
- AGP will receive shares of Class B common stock, which will constitute all of the outstanding shares of Class B common stock of AWH.

Prior to the Conversion, we expect holders of warrants to acquire 2,187,500 common units of AWH at an exercise price of $1.60 per unit to exercise their warrants and acquire common units of the Company. Pursuant to the terms of such warrants, if the warrants are not exercised prior to the completion of the offering, the warrants will expire and no longer be exercisable upon the completion of the offering. Additionally, the terms of the warrants permit the holders to exercise the warrants via cashless exercise. If the holders choose to exercise via cashless exercise, the holders will acquire 1,312,500 common units of AWH. However, there is no assurance that the holders will exercise the warrants.

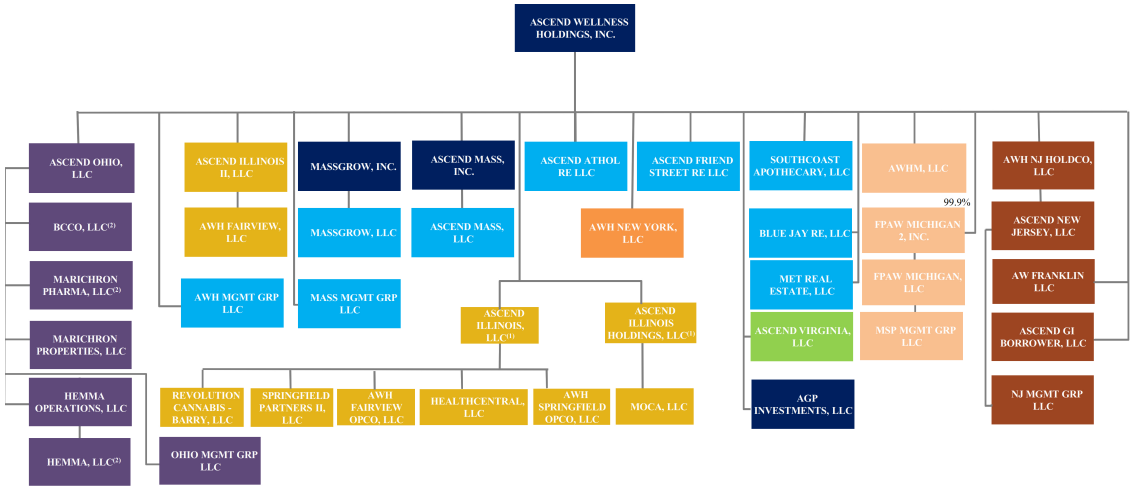
Following the Conversion, Ascend Wellness Holdings, Inc. will be deemed to be the same entity as AWH, and as a result will continue to hold all property and assets of AWH and will remain liable for all of the debts and

obligations of AWH. After effecting the Conversion, we will be governed by a certificate of incorporation to be filed with the Delaware Secretary of State and bylaws.

Following the Conversion, we will have two classes of authorized common stock, Class A common stock and Class B common stock. Each share of Class A common stock will be entitled to one vote per share. Each share of Class B common stock will be entitled to votes per share. Holders of Class A common stock and Class B common stock will vote together as a single class on all matters (including the election of directors) submitted to a vote of stockholders, unless otherwise required by law or our certificate of incorporation. Each share of Class B common stock will automatically convert into one share of Class A common stock on the final conversion date, as defined in our certificate of incorporation. Each share of Class B common stock will also be convertible at any time at the option of the holder into one share of Class A common stock. In addition, each share of Class B common stock will convert automatically into one share of Class A common stock upon any transfer, whether or not for value, except for certain transfers described in our certificate of incorporation, including, without limitation, transfers for tax and estate planning purposes, so long as the transferring holder of Class B common stock continues to hold exclusive voting and dispositive power with respect to the shares transferred. Once converted into a share of Class A common stock, a converted share of Class B common stock will not be reissued. Following the conversion of all outstanding shares of Class B common stock, no further shares of Class B common stock will be issued. See "*Description of Capital Stock*."

On the effective date of the Conversion, the members of the board of managers of AWH will become the members of the Board of Ascend Wellness Holdings, Inc., with the exceptions described in this prospectus, and the officers of AWH will become the officers of Ascend Wellness Holdings, Inc. Following the Conversion, we will consummate the initial public offering of our Class A common stock.

The following diagram illustrates our corporate structure following the completion of the Conversion and the closing of the offering. See Exhibit 21.1 to the registration statement of which this prospectus is a part for a list of our subsidiaries. All lines represent 100% ownership of outstanding securities of the applicable subsidiary unless otherwise noted. In part, the complexity of our organization structure is due to state licensing requirements that mandate that we maintain the corporate identity of our operating license holders.



(1) In process of transfer to AWH. The Illinois Department of Financial and Professional Regulation is currently reviewing the transfer application.
(2) The Ohio Medical Marijuana Control Program is currently reviewing transfer requests for Hemma, LLC and BCCO, LLC. We have entered into an agreement to acquire Marichron Pharma, LLC, but cannot submit a transfer request until Marichron Pharma, LLC receives a certificate of operation.

Legend for state of incorporation:

In this prospectus, except as otherwise indicated or the context otherwise requires, all information is presented giving effect to the Conversion. The purpose of the Conversion is to reorganize our structure so that the entity that is offering our Class A common stock to the public in this offering is a Delaware corporation rather than a Delaware limited liability company, and so that our existing investors will own our Class A common stock rather than equity interests in a limited liability company.

USE OF PROCEEDS

We estimate that the net proceeds to us from our issuance and sale of shares of Class A common stock in this offering will be approximately $ million, after deducting the underwriting commission and estimated offering expenses payable by us. This estimate assumes an initial public offering price of $ per share, the midpoint of the price range set forth on the cover page of this prospectus. If the underwriters exercise their over-allotment option in full to purchase additional shares from us, we estimate that our net proceeds will be approximately $ million, after deducting the underwriting commission and estimated offering expenses payable by us.

Each $1.00 increase (decrease) in the assumed initial public offering price of $ per share would increase (decrease) our net proceeds by approximately $ million, assuming the number of shares offered by us, as set forth on the cover page of this prospectus, remains the same, after deducting the underwriting commission and estimated offering expenses payable by us. Each increase (decrease) of shares in the number of shares offered by us would increase (decrease) the net proceeds from this offering by approximately $ million, assuming the assumed initial public offering price remains the same, after deducting the underwriting commission and estimated offering expenses payable by us. The information discussed above is illustrative only and will adjust based on the actual initial public offering price and other terms of this offering determined at pricing. Any increase or decrease in the net proceeds would not change our intended use of proceeds.

We currently expect to use the balance of net proceeds of this offering to increase our capitalization and financial flexibility**.** We intend to use the net proceeds from this offering to fund the expansion of our cultivation and processing facilities, for future acquisitions, to fund working capital and for general corporate purposes. Specifically, we expect to use (i) approximately $31,000,000 of the proceeds for the pending investment in MedMen NY, Inc., (ii) approximately $7,000,000 to consummate the transactions for our proposed acquisitions of (a) Hemma, LLC and (b) BCCO, LLC, both of which are in Ohio, though we are not certain when or if such transactions will be consummated, or the terms upon which they will ultimately be completed, as each remains subject to regulatory approval in all respects, (iii) approximately $20,000,000 for capital expenditures, and (iv) the remainder for future M&A transactions, general administration, tax liabilities, working capital and general corporate purposes, including additional financing provided to MedMen NY, Inc. prior to closing.

Our objective with respect to the proceeds allocated to capital expenditures is to increase our canopy and annual production capacity, in connection with which we intend to build-out our Lansing, Michigan and Athol, Massachusetts cultivation facilities. Of the approximately $20,000,000 of the proceeds allocated to capital expenditures, approximately $10,000,000 will be used to complete the build-out of the Lansing, Michigan cultivation facility and approximately $10,000,000 will be used to complete the build-out of the Athol, Massachusetts cultivation facility. The build-out of these facilities and the anticipated associated production capacity are intended to be used to feed our owned retail stores in Michigan and Massachusetts as well sell finished goods to other third-party dispensaries. Completion for each facility is expected in the second half of 2021.

Additionally, we may use a portion of the net proceeds to acquire or invest in businesses, products, services or technologies. Pending the use of proceeds from this offering as described above, we may invest the net proceeds that we receive in this offering in short-term, investment grade, interest-bearing instruments.

For the year ended December 31, 2020, we had a net loss of $25.4 million, or $61.7 million after giving effect to the acquisition of each primary business. We may have negative cash flow from operating activities and net losses in future periods as revenue from commercial activities continues to increase. A portion of the proceeds from the offering may be used to fund negative cash flow from operating activities in future periods. See *"Risk Factors – We have a limited operating history and a history of net losses and negative cash flows from operating activities, and we may not achieve or maintain profitability or positive cash flows in the future."*

The expected use of proceeds from this offering represent our intentions based upon our current plans and business conditions. The amounts and timing of our actual expenditures may vary significantly depending on numerous factors and any unforeseen cash needs. As a result, management will retain broad discretion over the

allocation of the net proceeds from this offering. See "*Risk Factors - We may experience risks relating to the closing of acquisitions or investments.*"

DIVIDEND POLICY

Following the Conversion, we do not intend to pay any cash dividends on our capital stock in the foreseeable future. We currently intend to reinvest all future earnings to finance the development and growth of our business and team. Any future determination to pay distributions will be at the discretion of the Board and will depend on the financial condition, business environment, operating results, capital requirements, any contractual restrictions on the payment of distributions and any other factors that the Board deems relevant. Our future ability to pay cash dividends on our capital stock may be limited by any future debt instruments or preferred securities. Accordingly, you may need to sell your Class A common stock to realize a return on your investment and you may not be able to sell your shares at or above the price you paid for them.

CAPITALIZATION

The following table sets forth our cash and cash equivalents and our capitalization as of the dates set forth below:

- AWH and its subsidiaries on an actual basis as of December 31, 2020;
- AWH and its subsidiaries immediately prior to the Conversion on a pro forma basis of December 31, 2020, after giving effect to the Conversion;
- Ascend Wellness Holdings, Inc. and its subsidiaries on a pro forma basis after giving effect to the Conversion; and
- Ascend Wellness Holdings, Inc. and its subsidiaries on a pro forma after giving effect to the Conversion, further adjusted to include the sale of shares of Class A common stock in this offering at an assumed initial public offering price of $ per share (which is the midpoint of the price range set forth on the cover page of this prospectus), after deducting the estimated underwriting discounts and commissions and estimated offering expenses that we expect to pay, the application of the net proceeds from this offering as described under "*Use of Proceeds*".

This table should be read in conjunction with "*Use of Proceeds*", "*Selected Financial Data*", "*Management's Discussion and Analysis of Financial Condition and Results of Operations*", and the consolidated financial statements and notes thereto appearing elsewhere in this prospectus.

	AS OF DECEMBER 31, 2020 (in thousands)			
	Ascend Wellness Holdings, LLC Actual	Pro Forma Ascend Wellness Holdings, LLC (unaudited)	Pro Forma Ascend Wellness Holdings, Inc. (unaudited)	Pro Forma As Adjusted Ascend Wellness Holdings, Inc. (unaudited)
Cash and cash equivalents	$ 56,547			
Debt, including current portion	$ 211,607			
Operating lease liabilities, including current portion	$ 158,528			
Stockholders' equity (deficit)				
Preferred stock, par value $, shares authorized on a pro forma basis, shares issued and outstanding on an as adjusted basis	—			
Class A common stock, par value $, shares authorized on a pro forma basis, shares issued and outstanding on an as adjusted basis	—			
Class B common stock, par value $, shares authorized on a pro forma basis, shares issued and outstanding on an as adjusted basis	—			
Members' equity				
Additional paid-in capital	$ 67,378			
Accumulated deficit	$ (63,592)			
Equity of AWH	$ 3,786			
Total members'/stockholders' equity (deficit)	$ 3,786			
Total capitalization	$ 373,921			
Share reconciliation:				
Real Estate Preferred Units	45,602			
Series Seed Preferred Units	28,505			
Series Seed+ Preferred Units	41,964			
Common Units	96,094			

A $1.00 increase (decrease) in the assumed initial public offering price of $ per share, which is the midpoint of the price range set forth on the cover page of this prospectus, would increase (decrease) the pro forma as adjusted amount of each of cash and cash equivalents, additional paid-in capital, total stockholders' equity and total capitalization by $ million, assuming that the number of shares offered by us, as set forth on the cover page of this prospectus, remains the same and after deducting estimated underwriting discounts and commissions and estimated offering expenses payable by us.

OPTIONS TO PURCHASE SECURITIES

The following table sets forth the aggregate number of warrants to purchase Class A common stock and Class B common stock that will be outstanding upon the closing of this offering, including after giving effect to the Conversion. See *"Corporate Conversion and Corporate Structure."*

Category	Number of warrants exercisable to acquire Class A common stock	Number of warrants exercisable to acquire Class B common stock	Exercise Price	Expiration Date
Executive Officers and Former Executive Officers				
Directors (other than those who are also executive officers) and Former Directors				
Other Current and Former Employees				
Consultants				
Total				

DILUTION

Pursuant to the registration statement of which this prospectus is a part, we may offer or sell shares of our Class A common stock. If you invest in our Class A common stock in this offering, your interest in the Company will be immediately diluted to the extent of the difference between the public offering price per share of Class A common stock and the as adjusted net tangible book value per share of our Class A common stock immediately after this offering.

Our pro forma net tangible book value as of , was $ million, or $ per share of Class A common stock. Pro forma net tangible book value per share of Class A common stock is determined by subtracting our total liabilities from the total book value of our tangible assets and dividing the difference by the number of shares of Class A common stock deemed to be outstanding, after giving effect to the Conversion.

Our pro forma as adjusted net tangible book value as of , after giving effect to this offering would have been approximately $ million, or $ per share of Class A common stock. This amount represents an immediate increase in pro forma as adjusted net tangible book value of $ per share of Class A common stock to our existing stockholders and an immediate dilution in pro forma as adjusted net tangible book value of approximately $ per share of Class A common stock to new investors purchasing shares of Class A common stock in this offering. We determine dilution by subtracting the pro forma as adjusted net tangible book value per share of Class A common stock after this offering from the amount of cash that a new investor paid for a share of Class A common stock. The following table illustrates this dilution:

Assumed initial public offering price per share		$ —
Pro forma net tangible book value per share as of before this offering	$ —	
Increase in pro forma as adjusted net tangible book value per share attributable to investors in this offering	$ —	
Pro forma as adjusted net tangible book value per share after this offering		$ —
Dilution in pro forma as adjusted net tangible book value per share to new common stock investors in this offering		$ —

A $1.00 increase (decrease) in the assumed initial public offering price of $ per share of Class A common stock, which is the midpoint of the price range listed on the cover page of this prospectus, would increase (decrease) the pro forma as adjusted net tangible book value per share of Class A common stock after this offering by approximately $, and dilution in pro forma as adjusted net tangible book value per share of Class A common stock to new investors by approximately $, assuming that the number of shares of Class A common stock offered by us, as set forth on the cover page of this prospectus, remains the same and after deducting estimated underwriting discounts and commissions and estimated offering expenses payable by us.

If the underwriters exercise their over-allotment option to purchase additional shares of Class A common stock from us in full, the pro forma as adjusted net tangible book value after the offering would be $ per share of Class A common stock, the increase in pro forma as adjusted net tangible book value per share of Class A common stock to existing stockholders would be $ per share of Class A common stock and the dilution in pro forma as adjusted net tangible book value to new investors would be $ per share of Class A common stock, in each case assuming an initial public offering price of $ per share of Class A common stock, which is the midpoint of the price range listed on the cover page of this prospectus.

The following table summarizes, as of , after giving effect to this offering, the number of shares of Class A common stock purchased from us, the total consideration paid, or to be paid, to us and the average price per share of Class A common stock paid, or to be paid, by existing stockholders and by the new investors. The calculation below is based on an assumed initial public offering price of $ per share of Class A common stock, which is the midpoint of the price range listed on the cover page of this prospectus, before deducting the estimated underwriting discounts and commissions and estimated offering expenses payable by us.

	Shares Purchased		Total Consideration		Average Price Per Share
	Number	Percent	Amount	Percent	
Existing stockholders		%		%	
New investors					
Total		%		%	

Each $1.00 increase (decrease) in the assumed initial public offering price of $ per share of Class A common stock would increase (decrease) the total consideration paid by new investors and the total consideration paid by all stockholders by $ million, assuming the number of shares of Class A common stock offered by us remains the same and after deducting estimated underwriting discounts and commissions but before estimated offering expenses.

Except as otherwise indicated, the discussion and the tables above assume no exercise of the underwriters' over-allotment option to purchase additional shares of Class A common stock from us. The number of shares of our Class A common stock outstanding after this offering as shown in the tables above is based on the number of shares of Class A common stock outstanding as of , after giving effect to the Conversion and excludes:

- shares of Class A common stock issuable upon the exercise of warrants outstanding as of , at an exercise price of $2.00 per share of Class A common stock.

To the extent any of the outstanding warrants are exercised, there will be further dilution to new investors. To the extent all of such outstanding warrants had been exercised as of , the pro forma as adjusted net tangible book value per share of Class A common stock after this offering would be $, and total dilution per share to new investors would be $.

If the underwriters exercise their over-allotment option to purchase additional shares of Class A common stock from us in full:

- the percentage of shares of Class A common stock held by the existing stockholders will decrease to approximately % of the total number of shares of our Class A common stock outstanding after this offering; and
- the number of shares held by new investors will increase to , or approximately % of the total number of shares of our Class A common stock outstanding after this offering.

SELECTED FINANCIAL DATA

The following table sets forth our selected consolidated financial data for the periods, and as of the dates, indicated. The (i) consolidated statements of operations data for the years ended December 31, 2020 and 2019 and (ii) consolidated balance sheet data as of December 31, 2020 and 2019 have been derived from the audited consolidated financial statements of the Company and its subsidiaries, which are included elsewhere in this prospectus.

The data set forth below should be read in conjunction with "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" and the consolidated financial statements and the accompanying notes presented in this prospectus. Our consolidated financial statements have been prepared in accordance with U.S. GAAP and on a going-concern basis that contemplates continuity of operations and realization of assets and liquidation of liabilities in the ordinary course of business.

	Year Ended December 31,	
(in thousands except per share data)	**2020**	**2019**
Revenue, net	$ 143,732	$ 12,032
Cost of goods sold	$ (82,818)	$ (8,744)
Gross profit	$ 60,914	$ 3,288
Total operating expenses	$ 53,067	$ 29,409
Other income (expense)	$ (12,986)	$ (6,454)
Net loss attributable to AWH	$ (25,439)	$ (31,895)
Net loss per share attributable to AWH	$ (0.13)	$ (0.18)
Total assets	$ 427,748	$ 195,931
Noncurrent liabilities	$ 308,677	$ 145,045

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

This management discussion and analysis, which we refer to as the "**MD&A**", of the financial condition and results of operations of Ascend Wellness Holdings, LLC (the "**Company**" or "**AWH**") is for the years ended December 31, 2020 and 2019. It is supplemental to, and should be read in conjunction with, the consolidated financial statements for the years ended December 31, 2020 and 2019, and the accompanying notes thereto (the "**Annual Financial Statements**"). The Annual Financial Statements were prepared in accordance with accounting principles generally accepted in the United States of America, which we refer to as "**GAAP**".

The following discussion should be read in conjunction with, and is qualified in its entirety by, the Annual Financial Statements and the accompanying notes thereto. In addition to historical information, the discussion in this section contains forward-looking statements and forward-looking information (collectively, forward-looking information") that involve risks and uncertainties. Generally, forward-looking information may be identified by the use of forward-looking terminology such as "plans," "expects," "does not expect," "proposed," "is expected," "budgets," "scheduled," "estimates," "forecasts," "intends," "anticipates," "does not anticipate," "believes," or variations of such words and phrases, or by the use of words or phrases which state that certain actions, events, or results may, could, would, or might occur or be achieved. There can be no assurance that such forward-looking information will prove to be accurate, and actual results and future events could differ materially from those anticipated in such forward-looking information. Forward-looking information is subject to known and unknown risks, uncertainties, and other factors that may cause the actual results, level of activity, performance, or achievements of the Company to be materially different from those or implied by such forward-looking information. Such risks and other factors may include, but are not limited to: general business, economic, competitive, political and social uncertainties; general capital market conditions and market prices for securities; delay or failure to receive board or regulatory approvals; the actual results of future operations; operating and development costs; competition; changes in legislation or regulations affecting the Company; the timing and availability of external financing on acceptable terms, if at all; favorable production levels and outputs; the stability of pricing of cannabis products; the level of demand for cannabis product; the availability of third-party service providers and other inputs for the Company's operations; and lack of qualified, skilled labor or loss of key individuals. Although the Company has attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking information, including those set forth under the "Risk Factors" section and elsewhere in this Prospectus, there may be other factors that cause results not to be as anticipated, estimated or intended. Readers are cautioned that the foregoing list of factors is not exhaustive. Readers are further cautioned not to place undue reliance on forward-looking information as there can be no assurance that the plans, intentions or expectations upon which they are placed will occur. Forward-looking information contained in this MD&A is expressly qualified by this cautionary statement.

Financial information presented in this MD&A is presented in thousands of United States dollars ("**$**"), unless otherwise indicated. We round amounts in this MD&A to the thousands and calculate all percentages and per-share data from the underlying whole-dollar amounts. Thus, certain amounts may not foot, crossfoot, or recalculate based on reported numbers due to rounding. Unless otherwise indicated, all references to years are to our fiscal year, which ends on December 31.

This MD&A was prepared by management of the Company and is dated and presented as of March 26, 2021.

BUSINESS OVERVIEW

We are a vertically integrated multi-state operator focused on adult-use or near-term adult-use cannabis states in limited license markets. Our core business is the cultivation, manufacturing, and distribution of cannabis consumer packaged goods, which we sell through our company-owned retail stores and to third-party licensed retail cannabis stores. We were founded in 2018 and initially pursued cultivation and dispensary licensing opportunities in Massachusetts. In December 2018, we entered the Illinois market with the acquisition of Revolution Cannabis-Barry LLC, an existing cultivation facility. We also acquired HealthCentral, LLC ("**HCI**") and its related entities, which owned two operational medical dispensaries in Illinois. We have since expanded our operational footprint, primarily through acquisitions and now have direct or indirect operations or financial interests in five U.S. geographic markets: Illinois, Massachusetts, Michigan, New Jersey, and Ohio. During 2020, our growth was further fueled by the legalization of adult-use cannabis in the state of Illinois. We also acquired three dispensaries in the Chicago, Illinois area, along with a cultivation site and dispensary location in New Jersey. Additionally, we opened four new dispensaries during 2020 and expanded our cultivation operations.

We believe in bettering lives through cannabis. Our mission is to improve the lives of our employees, patients, customers and the communities we serve through the use of the cannabis plant. We are committed to providing safe, reliable and high-quality products and providing consumers options and education to ensure they are able to identify and obtain the products that fit their personal needs. As of March 26, 2021, we have direct or indirect operations or financial interests in five U.S. markets and employ approximately 1,000 people.

We are committed to being vertically integrated in every state we operate in, which entails controlling the entire supply chain from seed to sale. We are currently vertically integrated in two out of the five states in which we operate with expansion plans underway to achieve vertical integration in all five states. While we have been successful in opening facilities and dispensaries, we expect continued growth to be driven by opening new operational facilities and dispensaries under our current licenses, expansion of our current facilities, and increased consumer demand.

Our consumer products portfolio is generated primarily from plant material that we grow and process ourselves. We produce our consumer packaged goods in five manufacturing facilities with 74,000 square feet of current operational canopy and total current capacity of 38,000 pounds annually. We are undergoing expansions to 285,000 square feet of cumulative canopy, which is estimated to have a total production capacity of 142,000 pounds annually post build-out. As of March 26, 2021, our product portfolio consists of 102 stock keeping units ("**SKUs**"), across a range of cannabis product categories, including flower, pre-rolls, concentrates, vapes, edibles, and other cannabis-related products. As of March 26, 2021, we have 13 open and operating retail locations, which we anticipate will expand to 20 locations open and operating by the end of calendar year 2021. Our new store opening plans are flexible and will ultimately depend on market conditions, local licensing, construction, and other regulatory permissions. All of our expansion plans are subject to capital allocations decisions, the evolving regulatory environment, and the COVID-19 pandemic.

Results of Operations

Year Ended December 31, 2020 Compared with the Year Ended December 31, 2019

	Year Ended December 31,			
($ in thousands)	**2020**	**2019**	**Increase / (Decrease)**	
Revenue, net	$ 143,732	$ 12,032	$ 131,700	NM*
Cost of goods sold	(82,818)	(8,744)	74,074	NM*
Gross profit	60,914	3,288	57,626	NM*
Gross profit %	*42.4 %*	*27.3 %*		
Operating expenses				
General and administrative	53,067	29,409	23,658	80%
Total operating expenses	53,067	29,409	23,658	80%
Operating profit (loss)	7,847	(26,121)	33,968	130%
Other income (expense)				
Interest expense	(12,993)	(6,477)	6,516	101%
Other, net	7	23	(16)	(70)%
Total other income (expense)	(12,986)	(6,454)	6,532	101%
Loss before income taxes	(5,139)	(32,575)	(27,436)	(84)%
Income tax expense	(18,702)	(667)	18,035	NM*
Net loss	$ (23,841)	$ (33,242)	(9,401)	(28)%
Less: net income (loss) attributable to non-controlling interests	1,598	(1,347)	2,945	219%
Net loss attributable to AWH	$ (25,439)	$ (31,895)	$ 6,456	20%

*Not meaningful

Revenue

Revenue in 2020 was $143,732, compared to $12,032 in 2019, representing an increase of $131,700, primarily driven by growth from our existing businesses as well as new site openings and acquisitions. Revenue at our existing dispensaries increased by $71,298, primarily due to the approval of adult recreational use in Illinois in January 2020. We opened four new dispensaries during 2020 which contributed $5,912 of revenue during the year, and the acquisition of four dispensaries contributed additional $15,445 of the total growth. Increased production and sales from our existing cultivation and manufacturing sites contributed $38,929 to our revenue growth, primarily driven by a full year of sales at our Illinois facility, as compared to one quarter during 2019, and the commencement of cultivation and production at our Massachusetts and Michigan facilities during 2020. By the end of 2020, we had 87 SKUs for our cultivation products, compared to 33 at the end of 2019.

Cost of Goods Sold and Gross Profit

Cost of goods sold in 2020 was $82,818, compared to $8,744 in 2019, representing an increase of $74,074. Cost of goods sold represent direct and indirect expenses attributable to the production of wholesale products as well as direct expenses incurred in purchasing products from other wholesalers. The increase in cost of goods sold in 2020 was driven by expansion of our operations, including $8,096 of incremental costs from acquisitions. Gross profit for 2020 was $60,914, representing a gross margin of 42.4%, compared to gross profit of $3,288 and gross margin of 27.3% in 2019. The increase in gross margin was primarily driven by an increase in scale as well as efficiency improvements at our Illinois cultivation facility relative to its operations in 2019.

General and Administrative Expenses

General and administrative expenses were $53,067 in 2020, compared to $29,409 in 2019, representing an increase of $23,658 or 80%. The increase was primarily related to:

- a $7,873 increase in rent and utilities, driven by eight new operating leases that we entered into during 2020 and an increase in related utilities expenses to support the expansion of our operations;
- a $7,155 increase in compensation expense resulting from an increase in headcount from approximately 270 at the end of 2019 to approximately 900 by the end of 2020 to support our expanded operations;
- a $4,336 increase in depreciation and amortization expense due to $4,530 of amortization related to in-place leases that were acquired during 2019, and $583 of incremental amortization from licenses acquired during 2020.
- a $2,633 increase in professional services, driven by an increase in consulting, accounting, and tax services;
- an increase of $709 related to insurance expenses;
- a $545 increase in marketing expenses associated with new dispensary openings; and
- a $286 loss related to the sale of one of our capital assets during 2020.

Certain general and administrative expenses, primarily rent and utilities and amortization of in-place leases, were incurred in 2020 ahead of new store openings, particularly in Michigan. As such, expenses incurred exceeded revenue at certain locations; however, the Company does not anticipate recurring losses at these locations in the future as the business begins to operate at scale. The Company did not identify indicators of potential impairment of intangible assets or goodwill during 2020 or 2019.

Interest Expense

Interest expense was $12,993 in 2020, compared to $6,477 in 2019, an increase of $6,516, due to an increase in the principal amount of Company debt outstanding during 2020. During 2020, the Company had an average outstanding debt balance of $107,791 with a weighted-average interest rate of 10.8%, compared to an average debt balance of $45,643 during 2019 with a weighted-average interest rate of 12.2%.

Income Tax Expense

Income tax expense is recognized based on the expected tax payable on the taxable income for the year, using tax rates enacted at year-end. In 2020, income tax expense was $18,702, compared to income tax expense of $667 in 2019. The increase was primarily attributable to the increase in gross profit during 2020, resulting in an increase in state taxes due to expansion of operations during 2020 compared to 2019, particularly within Illinois and Michigan. The increase in income tax expense was also driven by non-deductible expenses due to the limitations of Internal Revenue Code (“IRC”) Section 280E, which prohibits businesses engaged in the trafficking of Schedule I or Schedule II controlled substances from deducting ordinary and necessary business expenses from gross profit. Cannabis businesses operating in states that align their tax codes with IRC Section 280E are also unable to deduct ordinary and necessary business expenses for state tax purposes. Ordinary and necessary business expenses deemed non-deductible under IRC Section 280E are treated as permanent book-to-tax differences. Therefore, the effective tax rate can be highly variable and may not necessarily correlate with pre-tax income or loss.

Effective January 1, 2020, AWH elected to be treated as a C-Corporation for Federal income tax purposes. AWH did not recognize any deferred taxes as a result of this change, as AWH did not have any temporary book-to-tax differences prior to this election, largely due to the limitations of IRC Section 280E.

On March 27, 2020, the Coronavirus Aid, Relief, and Economic Security Act (“**CARES Act**”) was enacted in response to the COVID-19 pandemic. Among other provisions, the CARES Act allows net operating loss carryforwards incurred in 2018, 2019, and 2020 to be carried back to each of the five preceding taxable years to generate a refund of previously paid income taxes. The Company is currently evaluating the impact of the CARES

Act, but at present does not expect it to have a material impact on its provision due to the limitations of IRC Section 280E.

NON-GAAP FINANCIAL MEASURES

We define "**Adjusted Gross Profit**" as gross profit excluding non-cash inventory costs. We define "**Adjusted Gross Margin**" as Adjusted Gross Profit as a percentage of net revenue. Our "**Adjusted EBITDA**" is a non-GAAP measure used by management that is not defined by U.S. GAAP and may not be comparable to similar measures presented by other companies. We define "**Adjusted EBITDA Margin**" as Adjusted EBITDA as a percentage of net revenue. Management calculates Adjusted EBITDA as the reported net loss, adjusted to exclude: income tax expense; other (income) expense; interest expense, depreciation and amortization; depreciation and amortization included in cost of goods sold; loss on sale of assets; non-cash inventory adjustments; equity based compensation; start-up costs; and transaction-related and other legal expenses. Accordingly, management believes that Adjusted EBITDA provides meaningful and useful financial information, as this measure demonstrates the operating performance of the business. Non-GAAP financial measures may be considered in addition to the results prepared in accordance with U.S. GAAP, but they should not be considered a substitute for, or superior to, U.S. GAAP results.

The following table presents Adjusted Gross Profit for the years ended December 31, 2020 and 2019:

	Year Ended December 31,	
($ in thousands)	**2020**	**2019**
Gross Profit	$ 60,914	$ 3,288
Depreciation and amortization included in cost of goods sold	3,696	323
Non-cash inventory adjustments	146	(589)
Adjusted Gross Profit	$ 64,756	$ 3,022
Adjusted Gross Margin	*45.1 %*	*25.1 %*

The following table presents Adjusted EBITDA for the years ended December 31, 2020 and 2019:

	Year Ended December 31,	
(in thousands)	**2020**	**2019**
Net income (loss)	$ (23,841)	$ (33,242)
Income tax expense	18,702	667
Other (income) expense	(7)	(23)
Interest expense	12,993	6,477
Depreciation and amortization	7,914	3,578
Depreciation and amortization included in cost of goods sold	3,696	323
Loss on sale of assets	286	—
Non-cash inventory adjustments	146	(589)
Equity based compensation	680	311
Start-up costs[(1)]	8,097	10,096
Transaction-related and other legal expenses[(2)]	2,164	—
Adjusted EBITDA	$ 30,830	$ (12,402)
Adjusted EBITDA Margin	*21.4 %*	*(103.1)%*

(1) Represents certain expenses incurred before commencement of operations at various locations. Such expenses include: rent and utilities of $5,538 and $3,231 during 2020 and 2019, respectively; compensation and related expenses of $664 and $2,420 during 2020 and 2019, respectively; one-time costs associated with acquiring real estate or obtaining licenses and permits totaling $296 and $2,553 during 2020 and 2019, respectively; and other expenses, largely consisting of professional services expenses, totaling $1,599 and $1,892 during 2020 and 2019, respectively.

(2) In addition to other legal expenses incurred for potential future business development and expansion, this amount includes acquisition-related costs for MOCA LLC, Greenleaf Compassion Center, and Chicago Alternative Health Center, LLC totaling $526 during 2020 and legal and professional fees associated with the Company's potential go-public transaction totaling $688 during 2020.

LIQUIDITY AND CAPITAL RESOURCES

We are an emerging growth company and our primary sources of liquidity are operating cash flows, borrowings through the issuances of notes payable, and funds raised through the issuance of equity securities. We are generating cash from sales and deploying our capital reserves to acquire and develop assets capable of producing additional revenue and earnings over both the immediate and long term. Capital reserves are being utilized for acquisitions in the medical and adult use cannabis markets, for capital expenditures and improvements in existing facilities, product development and marketing, as well as customer, supplier, and investor and industry relations.

Financing History and Future Capital Requirements

To date, we have used private financing as a source of liquidity for short-term working capital needs and general corporate purposes. During 2018, we raised $28,675 through the issuance of notes payable and $14,651 through the issuance of membership units to fund the commencement of our operations. During 2019, we raised $64,742 through the issuance of notes payable and $38,481 through the issuance of membership units to help finance our expanded operations and provide funds for investments in our capital assets and acquisitions. During 2020, we raised an additional $101,886 through the issuance of notes payable to further finance our expanded operations. During 2021, we raised $49,500 through the issuance of notes payable to further finance our expanded operations and acquisitions.

Our future ability to fund operations, to make planned capital expenditures, to acquire other entities or investments, to make scheduled debt payments, and to repay or refinance indebtedness depends on our future operating performance, cash flows, and ability to obtain equity or debt financing, which are subject to prevailing economic conditions, as well as financial, business, and other factors, some of which are beyond our control.

As reflected in the Annual Financial Statements, the Company had an accumulated deficit as of December 31, 2020 and 2019, as well as a net loss and negative cash flows from operating activities for the reporting periods then-ended. Management believes that substantial doubt of our ability to continue as a going concern for at least one year from the issuance of our Annual Financial Statements has been alleviated due to: (i) capital raised subsequent to December 31, 2020 and (ii) continued sales growth from our consolidated operations. Management plans to continue to access capital markets for additional funding through debt and/or equity financings to supplement future cash needs, as may be required. However, management cannot provide any assurances that the Company will be successful in accomplishing its business plans. If we are unable to raise additional capital on favorable terms, if at all, whenever necessary, we may be forced to decelerate or curtail certain of its operations until such time as additional capital becomes available.

As of December 31, 2020 and 2019, the Company had total current liabilities of $115,285 and $16,046, respectively, and total current assets of $134,547 and $57,376, respectively, which includes cash and cash equivalents of $56,547 and $10,555, respectively, to meet its current obligations. As of December 31, 2020, the Company had working capital of $19,262, compared to $41,330 as of December 31, 2019.

Approximately 95% and 94% of the Company's cash and cash equivalents balance as of December 31, 2020 and 2019, respectively, is on deposit with banks, credit unions, or other financial institutions. We have not experienced any material impacts related to banking restrictions applicable to cannabis businesses (see "*Risk Factors – Cannabis businesses are subject to applicable anti-money laundering laws and regulations and have restricted access to banking and other financial services*"). Our cash and cash equivalents balance is not restricted for use by variable interest entities.

Cash Flows

(in thousands)	Year Ended December 31, 2020	2019
Net cash used in operating activities	$ (6,004)	$ (40,929)
Net cash used in investing activities	(30,872)	(65,551)
Net cash provided by financing activities	82,168	111,062

Operating Activities

Net cash used in operating activities decreased by $34,925 during 2020, as compared to 2019. The decrease was primarily driven by: the year-over-year decrease in our net loss and increases in non-cash income and expense items impacting net loss, as well as a decrease in net investments in working capital, including inventory partially offset by the timing of accounts receivable and income taxes payable.

Investing Activities

Net cash used in investing activities decreased by $34,679 during 2020, as compared to 2019. The decrease primarily resulted from lower purchases of intangible assets, lower cash investments in capital assets, and an increase in proceeds from the sale of assets, partially offset by an increase in cash paid in business acquisitions.

Financing Activities

Net cash provided by financing activities decreased by $28,894 during 2020, as compared to 2019. The decrease was primarily driven by lower proceeds from the issuance of membership units, lower proceeds from sale-leaseback transactions, and an increase in repayments of debt, partially offset by higher proceeds from the issuance of debt.

Contractual Obligations and Other Commitments and Contingencies

The following table summarizes the Company's future contractual obligations as of December 31, 2020:

(in thousands)	Commitments Due by Period				
Contractual Obligations	**Total**	**2021**	**2022 - 2023**	**2024 - 2025**	**Thereafter**
Term notes[(1)]	$ 155,608	$ 28,222	$ 85,762	$ 41,624	$ —
Sellers' Notes[(2)]	45,803	31,517	14,286	—	—
Finance arrangements[(3)]	19,873	2,022	4,225	4,477	9,149
Operating leases[(4)]	427,971	20,345	42,599	45,084	319,943
Total	$ 649,255	82,106	$ 146,872	$ 91,185	$ 329,092

(1) Principal payments due under term notes payable.
(2) Consists of amounts owed for acquisitions or other purchases. Certain cash payments include an interest accretion component.
(3) Reflects our contractual obligations to make future payments under non-cancelable operating leases that did not meet the criteria to qualify for sale-leaseback treatment.
(4) Reflects our contractual obligations to make future payments under non-cancelable operating leases.

Other Commitments

In December 2020, the Company submitted a state application to acquire BCCO, LLC, a medical dispensary license holder in Ohio for cash consideration of approximately $3,500, subject to certain adjustments at closing. The Company may settle the outstanding balances due under a note receivable and a working capital loan as part of the purchase price at closing. The Company expects to enter into a definitive purchase agreement following the state approval of the license transfer. Though precise timing is difficult to estimate given the uncertainties around receipt of the requisite regulatory approvals, if the proposed transaction is completed during 2021, the Company has adequate cash on hand to consummate the proposed transaction and anticipates allocating certain of the proceeds from the offering to this transaction, as indicated in "*Use of Proceeds.*"

In December 2020, the Company submitted a state application to acquire Hemma, LLC, the owner of a medical cultivation site in Ohio, for cash consideration of approximately $9,570, subject to certain adjustments at closing. The Company may settle the outstanding balances due under a note receivable and a working capital loan as part of the purchase price at closing. The Company expects to enter into a definitive purchase agreement following the state approval of the license transfer. Though precise timing is difficult to estimate given the uncertainties around receipt of the requisite regulatory approvals, if the proposed transaction is completed during 2021, the Company has adequate cash on hand to consummate the proposed transaction and anticipates allocating certain of the proceeds from the offering to this transaction, as indicated in "*Use of Proceeds.*"

Capital Expenditures

We anticipate cash capital expenditures, net of tenant improvement allowances, of approximately $90,000 during 2021. This includes new projects we expect to initiate in 2021, as well as payments related to projects that began in 2020. During 2021, we anticipate completing the build-outs of the greenhouse at our Barry, Illinois cultivation facility and the cultivation and processing facility in Lansing, Michigan. We also anticipate completing the phase 2 expansion at our Athol, Massachusetts cultivation facility, as well as the expansion of our Franklin, New Jersey cultivation and processing facility. Spending at our cultivation and processing facilities includes both construction and the purchase of capital equipment such as extraction equipment, Heating, ventilation, and air conditioning (HVAC) equipment, manufacturing equipment and general maintenance capital expenditures. Additionally, we expect to complete the build-outs of 9 total dispensaries across Illinois, Massachusetts, New Jersey, and Michigan that are expected to open in 2021. In addition, dispensary-related capital expenditures include anticipated costs to rebrand all dispensaries to the Ascend retail brand and general maintenance of our retail locations.

As of December 31, 2020, our construction in progress ("**CIP**") balance was $25,139 and relates to capital spending of assets that were not yet complete. This balance includes approximately $15,000 related to the Lansing, Michigan cultivation and processing facility. Production operations at this location are expected to begin during the first quarter of 2021 and cultivation activities are expected to commence during the second quarter of 2021. Approximately $4,000 of the CIP balance relates to the construction of a greenhouse at our Barry, Illinois cultivation facility, which is expected to be completed in the second or third quarter of 2021. The remaining balance of approximately $6,000 relates to the 9 licensed dispensaries that were not yet open as of December 31, 2020.

Off-Balance Sheet Arrangements

As of the date of this MD&A, we do not have any off-balance-sheet arrangements, as defined by applicable regulations of the Securities and Exchange Commission, that have, or are reasonably likely to have, a current or future effect on the results of our operations or financial condition, including, and without limitation, such considerations as liquidity and capital resources.

Related Party Transactions

AWH has a management services agreement ("**MSA**") with AGP Partners, LLC ("**AGP**") under which AGP provides management services to AWH in connection with the monitoring and oversight of AWH's financial and business functions. The founder of AGP is the Chief Executive Officer and founder of AWH. Pursuant to the MSA, AWH pays AGP a quarterly fee of $100. As of December 31, 2020 and 2019, $100 and $200, respectively, of these fees are included in "Accounts payable and other accrued expenses" on the Consolidated Balance Sheets. We recognized expenses of $400 during each of 2020 and 2019, respectively, that are included in "General and administrative expenses" on the Consolidated Statements of Operations. AGP is entitled to receive $2,000 upon the termination of the MSA in the event of an initial public offering or a change of control. This payout is contingent upon the beneficial owners of AGP who serve as officers of the Company entering into lock-up agreements that extend for 180 days following such event. Pursuant to the MSA, each such lock-up agreement shall contain a provision whereby AWH's Board of Managers may waive, in whole or in part, such extended lock-up thereto if AWH's Board of Managers determines, in its sole discretion and in accordance with AWH's governing documents and applicable law, that such waiver will not have an adverse effect on AWH and its equity holders, business, financial condition and prospects.

Additionally, $1,000 of the Company's convertible notes are with related party entities that are managed by one of the founders of the Company.

In December 2020, one of the founders of AWH assigned his interest in Ascend Michigan to AWH. Following the assignment, AWH retains a 99.9% ownership interest in Ascend Michigan. Please see the description of the transaction below for additional information.

Other Matters

As of December 31, 2020, there are 45,602 of Real Estate Preferred Units outstanding, 28,505 of Series Seed Preferred Units outstanding, and 41,964 of Series Seed+ Preferred Units outstanding (collectively, the "**Preferred Units**"), in addition to 96,094 common units. The Preferred Units are convertible at the option of the Holder into common units on a one-for-one basis. In addition, if a go-public transaction were to occur, then each common unit, Series Seed Preferred Unit, and Series Seed+ Preferred Unit would convert on a one-for-one basis. Each Real Estate Preferred Unit would convert at a rate of (i) one (ii) plus (A) the original purchase price of such Real Estate Preferred Unit multiplied by 1.5, divided by (B) the price at which the securities are sold to the public. This conversion feature for the Real Estate Preferred Units is considered a contingent beneficial conversion feature that would only be recognized if the event occurs, and is quantifiable only at the date of such event. We anticipate this contingent beneficial conversion feature may result in a charge of approximately $27,400 that could adversely impact our operating results upon the conversion.

As of December 31, 2020, there are 19,887 of restricted common units issued, of which 5,252 are vested. The Company recognized $313 as compensation expense in connection with these units during 2020, which is included in “General and administrative expenses” on the Consolidated Statement of Operations in the Annual Financial Statements. As of December 31, 2020, total unrecognized compensation cost related to incentive units was $1,802, which is expected to be recognized over the weighted-average remaining vesting period of 1.4 years. Approximately 8,960 of the unvested restricted common units have an acceleration clause upon a go-public transaction. The accelerated vesting provisions could result in additional compensation charges up to $1,084, related to these awards.

In December 2020, the sole member of FPAW Michigan 2, Inc. (“**Ascend Michigan**”) assigned his interests to AWH, thereby making AWH the majority member, retaining 99.9% of the membership interests in Ascend Michigan. The previous member is a founder of the Company and has a significant equity interest in the Company. Ascend Michigan was previously accounted for as a variable interest entity (“**VIE**”) because the Company possessed the power to direct the significant activities of the VIE and had the obligation to absorb losses or the right to receive benefits from the VIE. Subsequent to the assignment of the member interests, Ascend Michigan is considered a wholly owned subsidiary. The assignment had no significant impact on the Company’s results, as Ascend Michigan was previously consolidated as a VIE and will continue to be consolidated as a subsidiary. No impairment of assets or impact on results of operations occurred with the transfer of member interests.

Subsequent Transactions

Investments

On February 25, 2021, we entered into a definitive investment agreement (the “**Investment Agreement**”) with MedMen Enterprises Inc. (“**MedMen**”), under which we will, subject to regulatory approval, complete an investment (the “**Investment**”) of approximately $73,000 in MedMen NY, Inc. (“**MMNY**”), a licensed medical cannabis operator in New York. In connection with the Investment, and subject to regulatory approval, MMNY will engage our services pursuant to a management agreement (the “**Management Agreement**”) under which we will advise on MMNY’s operations pending regulatory approval of the Investment transaction.

Under the terms of the Investment, at closing, MMNY will assume approximately $73,000 of MedMen’s existing secured debt, AWH will invest $35,000 in cash in MMNY, and AWH New York, LLC will issue a senior secured promissory note in favor of MMNY’s senior secured lender in the principal amount of $28,000, guaranteed by AWH, which cash investment and note will be used to reduce the amounts owed to MMNY’s senior secured lender. Following its investment, AWH will hold a controlling interest in MMNY equal to approximately 86.7% of the equity in MMNY, and be provided with an option to acquire MedMen’s remaining interest in MMNY in the future. AWH must also make an additional investment of $10,000 in exchange for additional equity in MMNY, which investment will also be used to repay MMNY’s senior secured lender if adult-use cannabis sales commence in MMNY’s dispensaries.

The transactions contemplated by the Investment Agreement are subject to customary closing conditions, including approval from the New York State Department of Health and other applicable regulatory bodies.

The audited financial statements of MMNY for the years ended December 31, 2020 and 2019, management’s discussion and analysis of financial condition and results of operations of MMNY for the years ended December 31, 2020 and 2019, and the unaudited consolidated statement of operations of AWH giving effect to the acquisition of MOCA, the acquisition of Midway, and the investment in MMNY are attached as Exhibits 99.5, 99.6, and 99.7, respectively, to the registration statement of which this prospectus forms a part. Such financial statements were prepared to satisfy requirements of the Canadian securities regulatory authorities in connection with our concurrent Canadian public offering. Those financial statements were prepared in accordance with U.S. GAAP and audited in accordance with International Standards on Auditing; and are provided solely for the purposes of the Canadian securities regulatory authorities and not with respect to any SEC regulation or the Securities Act.

Leases

Subsequent to December 31, 2020, new operating leases with ROU assets and related lease liabilities of approximately $7,400 have commenced.

Notes Payable

In January 2021, the Company entered into a convertible note purchase agreement (the "**2021 AWH Convertible Promissory Notes**"). The Company issued $49,500 of 2021 AWH Convertible Promissory Notes through the date of this report. Each note matures two years from its issue date and can either be paid in full at maturity or converted into common units. Each note bears interest at 8% for the first twelve months, 10% for months thirteen through fifteen, and 13% thereafter through maturity. Interest is paid-in-kind and added to the outstanding balance of the note, to be paid at maturity or upon conversion.

These notes are convertible into common units of the Company on occurrence of certain events, such as a change of control or an initial public offering ("**IPO**") (which events had not occurred as of the date of the Annual Financial Statements). Upon the occurrence of an IPO, each note, including interest thereon less applicable withholding taxes, will automatically convert into equity securities issued in connection with the IPO, with the number of securities issued on the basis of a price equal to the lesser of: (a)(i) a 20% discount to the issue price if an IPO occurs on or before 12 months from each note issuance; (ii) a 25% discount to the issue price if an IPO occurs after 12 months of each note issuance, but before maturity; and (b) the conversion price then in effect based on a defined pre-money valuation of the Company. If the Company does not consummate an IPO prior to the maturity date, at maturity the holder may elect the outstanding principal amount and accrued and unpaid interest to be paid in full in cash or convert into common units at a price of $3.00 per unit, subject to adjustments for splits, dividends or other similar recapitalization events.

CRITICAL ACCOUNTING POLICIES AND ESTIMATES

The preparation of consolidated financial statements in accordance with GAAP requires our management to make certain estimates that affect the reported amounts. The Company's significant accounting policies are described in Note 2, "*Basis of Presentation and Significant Accounting Policies*," in the Annual Financial Statements. The Company bases estimates on historical experience, known or expected trends, independent valuations, and various other assumptions that the Company believes to be reasonable under the circumstances. As future events and their effects cannot be determined with precision, actual results could differ significantly from these estimates. The Company believes the following critical accounting policies govern the more significant judgments and estimates used in the preparation of the Annual Financial Statements.

Estimated Useful Lives and Amortization of Intangible Assets

Amortization of intangible assets is recorded on a straight-line basis over their estimated useful lives, which do not exceed the contractual period, if any. Intangible assets that have indefinite useful lives are not subject to amortization and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they may be impaired.

Business Combinations

Classification of an acquisition as a business combination or an asset acquisition depends on whether the assets acquired constitute a business, which can be a complex judgment. Whether an acquisition is classified as a business combination or asset acquisition can have a significant impact on the entries made on and after acquisition.

In determining the fair value of all identifiable assets and liabilities acquired, the most significant estimates relate to intangible assets. For any intangible asset identified, depending on the type of intangible asset and the complexity of determining its fair value, an independent valuation expert or management may develop the fair value,

using appropriate valuation techniques, which are generally based on a forecast of the total expected future net cash flows.

Cannabis licenses are the primary intangible asset acquired in business combinations, as they provide us the ability to operate in each market. The key assumptions used in calculating the fair value of these intangible assets are cash flow projections that include discount rates and terminal growth rates. In calculating the fair value of the cannabis licenses acquired during 2020 and 2019, management selected discount rates ranging from 13% to 21%. The terminal growth rate represents the rate at which these businesses will continue to grow into perpetuity. Management selected a terminal growth rate of 3%. Other significant assumptions include revenue, gross profit, operating expenses and anticipated capital expenditures which are based upon the Company's historical operations along with management projections.

The evaluations are linked closely to the assumptions made by management regarding the future performance of these assets.

Inventories

The net realizable value of inventories represents the estimated selling price for inventories in the ordinary course of business, less all estimated costs of completion and costs necessary to make the sale. The determination of net realizable value requires significant judgment, including consideration of factors such as shrinkage, the aging of and future demand for inventory, expected future selling price we expect to realize by selling the inventory, and the contractual arrangements with customers. Reserves for excess and obsolete inventory are based upon quantities on hand, projected volumes from demand forecasts and net realizable value. The estimates are judgmental in nature and are made at a point in time, using available information, expected business plans and expected market conditions. As a result, the actual amount received on sale could differ from the estimated value of inventory. Periodic reviews are performed on the inventory balance. The impact of changes in inventory reserves is reflected as cost of goods sold.

Goodwill Impairment

Goodwill is tested for impairment annually and whenever events or changes in circumstances indicate that the carrying amount of goodwill has been impaired. In order to determine if the value of goodwill has been impaired, the reporting unit to which goodwill has been assigned or allocated must be valued using present value techniques. When applying this valuation technique, we rely on a number of factors, including historical results, business plans, forecasts and market data. Changes in the conditions for these judgments and estimates can significantly affect the assessed value of goodwill.

In performing our annual goodwill impairment analysis we concluded that the implied fair value of our reporting units was substantially in excess of its carrying value and that no further evaluation of impairment was necessary. A 10% decrease in the estimated fair value of our reporting unit would not have resulted in a different conclusion.

Leases

For leases other than short-term leases (those with an initial term of twelve months or less), we recognize right-of-use ("**ROU**") assets and lease liabilities on the Consolidated Balance Sheet. Operating lease liabilities are initially recognized based on the net present value of the fixed portion of our lease payments from lease commencement through the lease term. To calculate the net present value, we apply an incremental borrowing rate that is estimated as the rate of interest we would pay to borrow an amount equal to the lease payments on a collateralized basis over a similar term. We use quoted interest rates as an input to derive our incremental borrowing rate as the discount rate for the lease. We recognize ROU assets based on operating lease liabilities reduced by lease incentives, including tenant improvement allowances. We test ROU assets for impairment in the same manner as long-lived assets.

Consolidation

Judgment is applied in assessing whether we exercise control and have significant influence over entities in which we directly or indirectly own an interest. We have control when we have the power over the subsidiary, have exposure or rights to variable returns and have the ability to use our power to affect the returns. Significant influence is defined as the power to participate in the financial and operating decisions of the subsidiaries. Where we are determined to have control, these entities are consolidated. Additionally, judgment is applied in determining the effective date on which control was obtained.

Recently Adopted Accounting Standards and Recently Issued Accounting Pronouncements

For information about our recently adopted accounting standards and recently issued accounting standards not yet adopted, see Note 2, "Basis of Presentation and Significant Accounting Policies," of the Annual Financial Statements.

QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

We are exposed in varying degrees to a variety of financial instrument related risks. We mitigate these risks by assessing, monitoring and approving our risk management processes.

Credit Risk

Credit risk is the risk of a potential loss to us if a customer or third party to a financial instrument fails to meet its contractual obligations. The maximum credit exposure at December 31, 2020 is the carrying amount of cash and cash equivalents. We do not have significant credit risk with respect to our customers. All cash and cash equivalents are placed with major U.S. financial institutions.

We provide credit to our customers in the normal course of business. We have established credit evaluation and monitoring processes to mitigate credit risk but have limited risk as the majority of our sales are transacted with cash.

Liquidity Risk

Liquidity risk is the risk that we will not be able to meet our financial obligations associated with financial liabilities. We manage liquidity risk through the effective management of our capital structure. Our approach to managing liquidity is to ensure that we will have sufficient liquidity at all times to settle obligations and liabilities when due.

As reflected in the Annual Financial Statements, we had an accumulated deficit as of December 31, 2020 and 2019, as well as a net loss and negative cash flows from operating activities for the reporting periods then-ended. Management believes that substantial doubt of our ability to continue as a going concern for at least one year from the issuance of our Annual Financial Statements has been alleviated due to: (i) capital raised subsequent to December 31, 2020 and (ii) continued sales growth from our consolidated operations. Management plans to continue to access capital markets for additional funding through debt and/or equity financings to supplement future cash needs, as may be required. However, management cannot provide any assurances that we will be successful in accomplishing our business plans. If we are unable to raise additional capital on favorable terms, if at all, whenever necessary, we may be forced to decelerate or curtail certain of our operations until such time as additional capital becomes available.

Market Risk

Market risk is the risk of loss arising from adverse changes in market rates and prices, such as interest rates, raw materials, and other commodity prices. Strategic and operational risks may arise if we fail to carry out business operations and/or raise sufficient equity and/or debt financing. Strategic opportunities or threats may arise from a

range of factors that might include changing economic and political circumstances and regulatory approvals and competitor actions. We seek to mitigate such risks by consideration of potential development opportunities and challenges.

Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Cash and cash equivalents bear interest at market rates. Our financial debts have fixed rates of interest and therefore expose us to a limited interest rate fair value risk.

Commodities Price Risk

Price risk is the risk of variability in fair value due to movements in equity or market prices. The primary raw materials used by us aside from those cultivated internally are labels and packaging. Management believes a hypothetical 10% change in the price of these materials would not have a significant effect on our consolidated annual results of operations or cash flows, as these costs are generally passed through to our customers. However, such an increase could have an impact on our customers' demand for our products, and we are not able to quantify the impact of such potential change in demand on our annual results of operations or cash flows.

COVID-19 Risk

We are monitoring COVID-19 closely, and although our operations have not been materially affected by the COVID-19 outbreak to date, the ultimate severity of the outbreak and its impact on the economic environment is uncertain. Our operations are ongoing as the cultivation, processing and sale of cannabis products is currently considered an essential business by the states in which we operate with respect to all customers (except for Massachusetts, where cannabis has been deemed essential only for medical patients). In all locations where regulations have been enabled by governmental authorities, we have expanded consumer delivery options and curbside pickup to help protect the health and safety of our employees and customers. The pandemic has not materially impacted our business operations or liquidity position to date. We continue to generate operating cash flows to meet our short-term liquidity needs. The uncertain nature of the spread of COVID-19 may impact our business operations for reasons including the potential quarantine of our employees or those of our supply chain partners or a change in our designation as “essential” in states where we do business that currently or in the future impose restrictions on business operations.

BUSINESS

Overview

AWH is a vertically integrated multi-state operator focused on adult-use or near-term adult-use cannabis states in limited license markets. Our core business is the cultivation, manufacturing and distribution of cannabis consumer packaged goods, which we sell through our company-owned retail stores and to third-party licensed retail cannabis stores. We were founded in 2018 and initially pursued cultivation and dispensary licensing opportunities in Massachusetts. In December 2018, we entered the Illinois market with the acquisition of an existing cultivation facility through the acquisition of Revolution Cannabis-Barry LLC. We also acquired HCI and its related entities, which owned two operational medical dispensaries in Illinois. We have since expanded our operational footprint, primarily through acquisitions, and now have direct or indirect operations or financial interests in five U.S. geographic markets: Illinois, Massachusetts, Michigan, New Jersey, and Ohio.

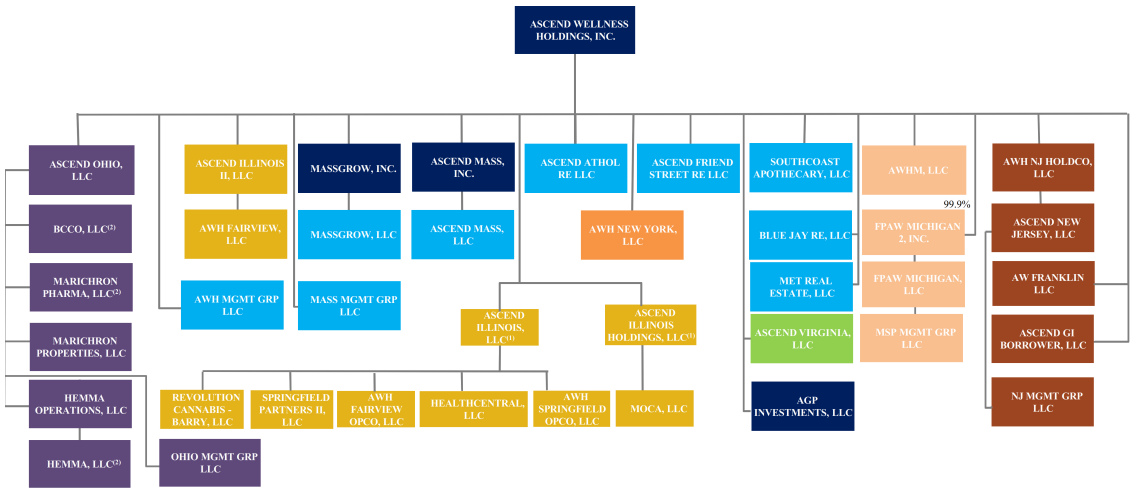
We believe in bettering lives through cannabis. Our mission is to improve the lives of our employees, patients, customers and the communities we serve through the use of the cannabis plant. We are committed to providing safe, reliable and high-quality products and providing consumers options and education to ensure they are able to identify and obtain the products that fit their personal needs. As of March 26, 2021, we have direct or indirect operations or financial interests in five U.S. geographic markets and employ approximately 1,000 people.

Currently, approximately one third of our portfolio of cultivation and dispensary assets are generating revenue and we expect the remainder of these assets to begin generating revenue over the course of the 2021 calendar year. Our core business is the cultivation, manufacturing and distribution of cannabis consumer packaged goods, which we sell through our company-owned retail stores and to third-party licensed retail cannabis stores. We are committed to being vertically integrated in every state we operate in, which entails controlling the entire supply chain from seed to sale. We are currently vertically integrated in two out of our five states with expansion plans underway to achieve vertical integration in all five states. While we have been successful in opening facilities and dispensaries, we expect continued growth to be driven by opening new operational facilities and dispensaries under our current licenses, expansion of our current facilities and increased consumer demand.

Our consumer products portfolio is generated primarily from plant material that we grow and process ourselves. We produce our consumer-packaged goods in five manufacturing facilities with 74,000 square feet of current cumulative canopy and total current capacity of 38,000 pounds annually. We are undergoing expansions at our Barry, Illinois, Lansing, Michigan and Athol, Massachusetts cultivation facilities which are expected to be completed in 2021 and we expect to build facilities in Monroe, Ohio and New Jersey in 2022. The expansions are expected to add approximately 58,000, 28,000, 37,000, 35,000 and 56,000 square feet of canopy, respectively, or a total of approximately 285,000 square feet of cumulative canopy, which is estimated to have a total production capacity of 142,000 pounds annually post build-out, assuming production and yields are in line with the performance of our current operating canopy. Our product portfolio currently consists of 102 SKUs, across a range of cannabis product categories, including flower, pre-rolls, concentrates, vapes, edibles and other cannabis-related products. As of March 26, 2021, we have 13 open and operating retail locations, which we anticipate will expand to 20 locations open and operating by the end of calendar year 2021. Our new store opening plans are flexible and will ultimately depend on market conditions, local licensing, construction, and other regulatory permissions. All of our expansion plans are subject to capital allocation decisions, the evolving regulatory environment and the COVID-19 pandemic. See "*Cautionary Note Regarding Forward-Looking Statements.*"

The following organizational chart describes our organizational structure as of March 26, 2021. See Exhibit 21.1 to the registration statement of which this prospectus is a part for a list of our subsidiaries. All lines represent 100% ownership of outstanding securities of the applicable subsidiary unless otherwise noted. In part, the

complexity of our organization structure is due to state licensing requirements that mandate that we maintain the corporate identity of our operating license holders.



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(1) In process of transfer to AWH. The Illinois Department of Financial and Professional Regulation is currently reviewing the transfer application.
(2) The Ohio Medical Marijuana Control Program is currently reviewing transfer requests for Hemma, LLC and BCCO, LLC. We have entered into an agreement to acquire Marichron Pharma, LLC, but cannot submit a transfer request until Marichron Pharma, LLC receives a certificate of operation.

Legend for state of incorporation:

Our registered office is located at 1209 Orange Street, Wilmington, DE 19801. Our headquarters are located at 1411 Broadway, 16th Floor, New York, NY 10018.

Operations Summary

The following is an overview of our assets by state that are currently operational, as well as our expected asset base once fully built out:

Illinois

We have an indoor cultivation and manufacturing facility in Barry, Illinois and six open dispensaries, including our pending acquisition of Chicago Alternative Health Center LLC and Chicago Alternative Health Center Holdings LLC (collectively, "**Midway Dispensary**").

Our Barry cultivation and manufacturing facility is a 75,000 square foot building with 55,000 square feet of double-stacked indoor canopy that has an annual production capacity of 28,000 pounds, an increase from 12,000 pounds annual production capacity in December 2019. We currently utilize both ethanol- and butane-based extraction on site. We are also currently building out an additional 110,000 square foot headhouse and greenhouse on the Barry site with 58,000 square feet of canopy. This build-out is funded through a sale lease-back transaction with Innovative Industrial Properties and is expected to add an additional 26,000 pounds of production capacity for total canopy of 114,000 square foot and annual capacity of 54,000 pounds at completion.

We have three open dispensaries in Chicago with two located in each of the Logan Square and River North neighborhoods and one located next to Chicago's Midway Airport. We also have two dispensaries in Springfield and two in the St. Louis area, one of which recently opened. We also have a secondary site license for one additional dispensary in Chicago Ridge, a suburb of Chicago. The Fairview Heights location near St. Louis opened in March 2021 and the Chicago Ridge location is anticipated to open in April 2021. Both of our dispensaries in the St. Louis area are located in retail corridors along major highways. Illinois rules and regulations impose a 10-dispensary cap on any one operator. Given our scale in Illinois, we view the acquisition of additional dispensaries in Illinois as a lower-risk, higher-return opportunity to move up from our current portfolio of eight dispensaries to ten dispensaries over time.

Massachusetts

We have an operational indoor cultivation and manufacturing facility in Athol, Massachusetts and three dispensaries fully permitted and currently under development.

Our Athol cultivation and manufacturing facility is a 360,000 square foot building with 17,000 square feet of double-stacked indoor canopy that has an annual production capacity of 9,000 pounds. We are also currently building out a 90,000 square foot Phase II expansion with 37,000 square feet of indoor single-stacked canopy. This expansion is also funded through a sale lease-back transaction with Innovative Industrial Properties and will add an additional 19,000 pounds of production capacity for total canopy of 54,000 square feet and annual capacity of 28,000 pounds at completion. We expect to add both ethanol and butane-based extraction capabilities in calendar year 2021.

Our dispensaries are located in downtown Boston, Newton and New Bedford, with all three dispensaries anticipated to open in 2021. The downtown Boston dispensary is located in the heart of downtown Boston on Friend Street, one block from TD Garden and North Station and approximately 0.5 miles from Faneuil Hall.

New Jersey

Our New Jersey license grants the right to operate a cultivation and processing facility and up to three medical dispensaries in New Jersey. Our operations are vertically integrated in New Jersey. We currently operate a medical dispensary in Montclair and an indoor cultivation and manufacturing facility in Franklin.

Our Franklin cultivation and manufacturing facility is located in a 115,000 square foot building and currently has 2,300 square feet of indoor canopy that has an annual production capacity of 1,000 pounds. We are currently reviewing opportunities to expand our cultivation and processing capabilities ahead of adult-use sales in New Jersey in late calendar year 2021 to ensure the New Jersey medical and adult-use markets are adequately supplied.

In addition to our existing dispensary, we have a second dispensary site located in Rochelle Park near Paramus that is locally permitted and under development and a third site in Fort Lee that is locally permitted. Our Rochelle Park location is on Route 17 in a major retail corridor and is a mile away from the Garden State Plaza. Our two satellite dispensaries are anticipated to open in calendar year 2021. We anticipate that New Jersey will remain a product-constrained market in the medium term, with a limited number of operators and insufficient canopy ahead of adult-use sales commencing. As such, we are pursuing an aggressive canopy expansion to supply our owned retail stores and wholesale to third-party stores.

Michigan

We have an indoor cultivation and manufacturing facility under development in Lansing, Michigan and four open dispensaries.

Our Lansing cultivation and manufacturing facility is a 144,000 square foot building that will have 28,000 square feet of single-stacked indoor canopy with an annual production capacity of 15,000 pounds at completion of

its build-out. We expect to add both ethanol and butane-based extraction in calendar year 2021 and the site has adequate space for a second phase canopy build-out.

Our dispensaries are located in Ann Arbor, Morenci, Detroit and Battle Creek. We are also currently building out an additional dispensary in Lansing expected to be operational in calendar year 2021. Our existing Detroit dispensary currently serves medical customers only, but Detroit is expected to pass an adult-use ordinance in calendar year 2021. Our Ann Arbor location serves adult-use customers. Morenci and Battle Creek serve both medical and adult-use customers and patients.

New York

On February 25, 2021, we entered into the Investment Agreement with MedMen, under which we will, subject to regulatory approval, complete the Investment of approximately $73 million in MMNY, one of ten medical cannabis vertically integrated operators in New York. In connection with the Investment, and subject to regulatory approval, MMNY will engage our services pursuant to the Management Agreement under which we will advise on MMNY's operations pending regulatory approval of the Investment transaction.

Under the terms of the Investment, at closing, MMNY will assume approximately $73 million of MedMen's existing secured debt, AWH will invest $35 million in cash in MMNY, and AWH New York, LLC will issue a senior secured promissory note in favor of MMNY's senior secured lender in the principal amount of $28 million, guaranteed by AWH, which cash investment and note will be used to reduce the amounts owed to MMNY's senior secured lender. Following its investment, AWH will hold a controlling interest in MMNY equal to approximately 86.7% of the equity in MMNY, and be provided with an option to acquire MedMen's remaining interest in MMNY in the future. AWH must also make an additional investment of $10 million in exchange for additional equity in MMNY, which investment will also be used to repay MMNY's senior secured lender if adult-use cannabis sales commence in MMNY's dispensaries.

The transactions contemplated by the Investment Agreement are subject to customary closing conditions, including approval from the New York State Department of Health and other applicable regulatory bodies.

MMNY operates a 11,000 square foot cultivation and manufacturing facility in Utica, New York, and has four operational medical cannabis dispensaries. The Utica facility sits on five acres and has a 21,000 square foot shell for future expansion already constructed. We also have an option to purchase an additional 5+ acres. MMNY's dispensaries are in the Bryant Park neighborhood of New York City, Syracuse, Buffalo and Lake Success on Long Island. The MedMen flagship location on 5th Avenue is currently one of four dispensaries in Manhattan.

Ohio

We have entered into agreements to acquire a (i) licensed cultivator, (ii) processor and (iii) dispensary operator in Ohio. We are party to a consulting services agreement with the dispensary operator. Our contractual partners have one open medical dispensary and a cultivation and processing facility under development. The medical dispensary is located in Carroll, which is in the Columbus area. The cultivation and processing facilities will be located in Monroe. The 9,000 square foot processing facility and 9,000 square foot cultivation facility is currently under development and we are in the planning stage for a 55,000 square foot cultivation with 35,000 square feet of quad-stacked canopy capable of producing 18,000 pounds annually once complete. The Company is awaiting approval from regulators to move the existing sub-scale cultivation and co-locate a larger, greenfield cultivation on the same site as our processing facility; the Company has submitted an application and is awaiting feedback.

Licenses

The following chart summarizes as of March 26, 2021 the U.S. states in which we operate or have an investment, the nature of our operations, whether such activities carried on are direct, indirect or ancillary in nature,

the number of dispensary, cultivation and other licenses held by each entity and whether such entity has any operation, cultivation or processing facilities.

State	Entity	Adult-Use/Medical	Direct/Indirect/ Ancillary	Dispensary Licenses	Cultivation/ Processing/ Distribution Licenses	Operational Dispensaries	Operational Cultivation/ Processing Facilities
Illinois	HealthCentral LLC	AU, M	Direct	6	—	4	—
Illinois	Revolution Cannabis-Barry LLC	AU, M	Direct	—	2	—	1
Illinois	MOCA LLC	AU, M	Direct	3	—	2	—
Illinois	Chicago Alternative Health Center, LLC	AU, M	Ancillary(7)	3	—	1	—
Mass.	MassGrow LLC	AU	Direct	—	2(1)	—	1
Mass.	Ascend Mass LLC	AU	Direct	3(2)	—	—	—
New Jersey	Ascend New Jersey LLC	M	Direct	1(3)	1	1	1
New York	MedMen NY, Inc.(4)	M	Ancillary(5)	4	1	4	1
Michigan	FPAW Michigan LLC	AU, M	Direct	4	1	4	1
Ohio	Ascend Ohio LLC	M	Ancillary(6)	1	2(1)	1	—
Total				**25**	**9**	**17**	**5**

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(1) Provisionally licensed for processing.
(2) Two of these are provisionally licensed.
(3) An ATC permit enables the holder to pursue two additional satellite dispensary locations.
(4) On February 25, 2021, we entered into a definitive investment agreement with MedMen under which we will, subject to regulatory approval, complete an investment in MedMen NY, Inc.
(5) In the event of regulatory approval of the investment agreement with MedMen, our interest will become Direct.
(6) The Ohio Medical Marijuana Control Program is currently reviewing transfer requests for Hemma, LLC and BCCO, LLC. In the event either request is approved, our interest will become Direct.
(7) In the event of regulatory approval of our transfer request for the Midway Dispensary, our interest will become Direct.

Investment Highlights and Competitive Strengths

Leading Position Across Some of the Most Attractive U.S. Markets

We strive to become a leading player in each of the markets we operate in. While many of our competitors have focused on geographic breadth, our strategy has been to “go deep, not wide” in what we believe to be the most attractive markets. We seek to have scaled cultivation facilities and high-volume, flagship retail locations, alongside a portfolio of brands to create a dominant market position in each of the states in which we operate. Being vertically integrated not only enables operators to capture vertical margin from seed through retail sale, it also ensures availability of supply to owned dispensaries. Availability of supply is especially important in early-stage adult-use markets, where aggregate retail demand can exceed existing cultivation capacity. States with cannabis programs on the East Coast and in the Midwest are also largely limited license markets. We consider states and jurisdictions which have enacted regulations that restrict the number of licenses that may be issued to operate in the cannabis business or have caps on the amount of canopy per cultivation facility to be “limited license.” We believe these markets are characterized by prospects for stable pricing, reasonably predictable competitive forces and the potential for attractive returns for incumbent, vertically integrated operators. AWH operates in these limited license, East Coast and Midwest states and endeavors to capitalize on these favorable market dynamics. Additionally, we believe that our scale within our states should allow us to realize better margins than operators that have wider footprints and lower market shares within their markets on a relative basis. We remain vigilant regarding the allocation of our operational focus and deployment of capital to markets that we believe will afford us optimal returns.

Established Ascend Brand with Focus on Flagship Retail

The Ascend retail brand elevates the cannabis shopping experience by combining consistent and convenient customer service with high-quality products and exclusive brand partnerships. Our stores are primarily located in high-traffic retail corridors, with sufficient parking and proximity to highways or main thoroughfares. Despite operating a number of high-throughput locations, our well-trained staff and omni-channel capabilities enable us to serve our customer efficiently, while also delivering a pleasant, informative and cultivated shopping experience. In Illinois, the Ascend retail brand is a recognized brand in the cannabis market and serves an average of 2,615 customers on a daily basis. We have also focused on opening flagship locations in or near major metropolitan areas including Chicago, Boston, St. Louis and the Greater New York City Area, where we expect to achieve higher customer traffic and drive mind-share for our retail brand. Due to its location, we believe that our Boston location could become one of the highest volume dispensaries on the East Coast. Our flagship location in Collinsville has achieved even higher sales productivity than our Illinois average at $10,893 per square foot in the fourth quarter of 2020, making it one of the top grossing stores in the state. Collinsville served on average 1,262 customers during the same period with an average basket size of $133. We believe these flagship locations strengthen our brand awareness and will create a halo-effect around the rest of our retail portfolio. While the number of dispensaries and competition will likely increase over time, we anticipate that the combination our brand awareness and premium locations will enable us to outperform our competitors.

Omni-channel Customer Experience

As customer shopping preferences continue to evolve and customers increasingly shop across multiple channels, we strive to create a best-in-class, omni-channel customer experience. Although in-store experiences will continue to be the primary fulfillment point for orders, we believe that customers' experiences in our stores are complemented by our omni-channel capabilities, a few of which include:

- Reserve-Online-Pickup-in-Store, allowing customers to purchase merchandise through one of our websites and pick-up the merchandise in-store, which often drives incremental in-store sales. Over 90% of our customers in Collinsville utilize our Reserve-Online-Pickup-in-Store option;
- Curbside Pickup, allowing customers to have their orders brought directly to their vehicles; and
- Online Consultations and Real-time Chat, allowing customers to interact with associates, ask questions and build their basket ahead of their in-store visit, driving associate productivity and incremental sales.

We also believe that our loyalty programs are an important part of our omni-channel strategy as we aim to seamlessly interact and connect with customers across all touchpoints. We had approximately 53,000 SMS loyalty members across our 12 operating dispensaries as of December 31, 2020. We currently have approximately 67,000 SMS loyalty member, growing by 14,000 members or 28% sequentially. Under these programs, customers accumulate points primarily based on purchase activity. These rewards can then be redeemed for merchandise at the point of purchase. Our loyalty programs provide timely customer insights, creating stronger customer engagement while driving a higher average level of customer spend. In addition, we use our loyalty programs as a tool to stay connected to our customers through members-only offers, items and experiences.

Continued Innovation and Brand Partnerships to Expand Product Portfolio

Our product portfolio today includes standard form factors: flower, pre-rolls, distillate vapes and gummies. We believe standard form factors typically account for over 80% of market demand in medical and early-stage adult-use markets. However, as these markets mature, we expect customer preferences to evolve and the consumer will increasingly look toward new form factors and brands. We have a robust product development pipeline that includes a number of new form factors including live resin vapes, tablets, vegan gummies, cigarette-style pre-rolls and mints. We expect to launch five new internally-developed products over the next six months. In addition to developing products internally, we have also partnered with leading West Coast cannabis brands like Cookies Enterprises, 1906, and Airo Brands, to bring established brands with cannabis heritage and name recognition to our existing markets, while creating a halo effect around our retail stores with exclusive launch events and product releases.

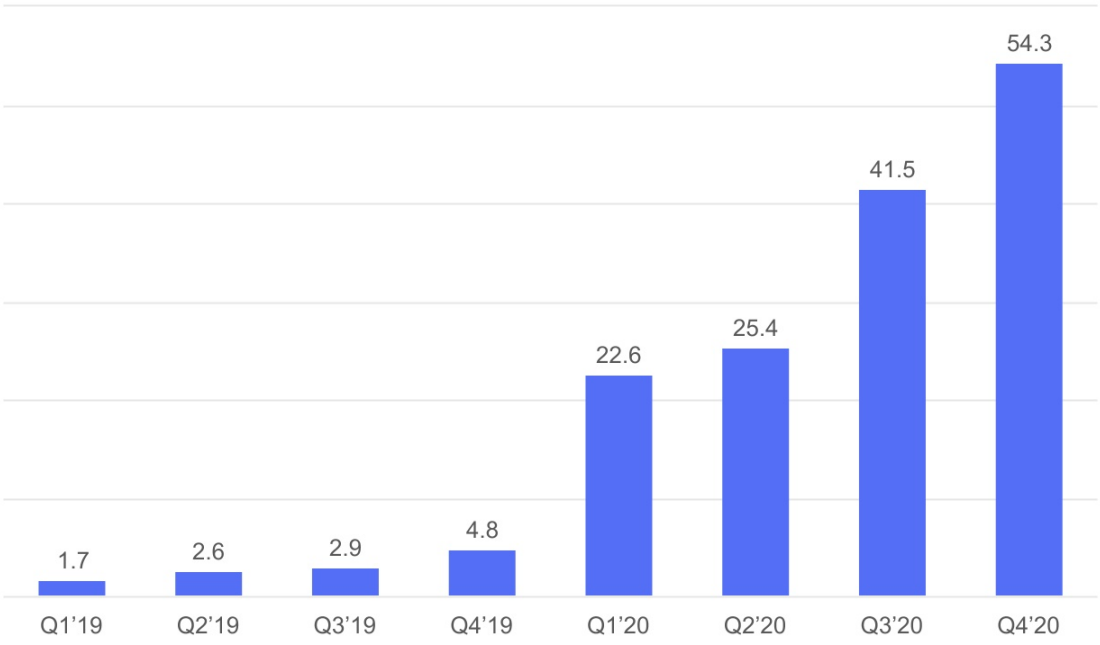
Executing on Growth While Maintaining Profitability and Liquidity

We have achieved $ million of revenue during , and will continue to work to open additional dispensaries and build out our existing cultivation facilities during the remainder of calendar year 2021. The figure below shows our quarterly revenue progression from Q1'19 through Q4'20, highlighting that our calendar year 2020 revenue is over 10x higher than revenue in calendar year 2019. Additionally, our gross profit in calendar year 2020 is over 17x higher than revenue in calendar year 2019 and our loss before income taxes decreased from $32.6 million in calendar year 2019 to $5.1 million in calendar year 2020. As of December 31, 2019, we had four open dispensaries and 32,000 square feet of operational canopy. As of December 31, 2020, we had 12 dispensaries open and 74,000 square feet of operational canopy with expectations to have 20 dispensaries and 285,000 square feet of operational canopy by the end of calendar year 2022. We currently have 13 dispensaries open. See "*Cautionary Note Regarding Forward-Looking Statements.*"

Managing significant growth in a capital-intensive industry while determining which opportunities to focus on requires a keen focus on capital allocation. We have worked to secure project financing for our expansion projects by partnering with Innovative Industrial Properties to fund cultivation build-outs through sale leaseback transactions with various financing sources to fund acquisition opportunities.

Our management team has significant capital markets success and has raised over $300 million of debt, equity, and sale-leaseback financing since inception. This proven ability to raise capital is especially important as we execute on our growth plans in a highly capital-intensive industry and as we explore potential acquisitions in the future. We believe that we will continue to be able to source capital in an efficient manner on a go-forward basis.

Quarterly Net Revenue ($ in millions) (unaudited)



History

Illinois

In December 2018, we entered the Illinois market with the acquisition of an existing cultivation facility, through the acquisition of Revolution Cannabis-Barry LLC. We expanded our presence in Illinois in January 2019 through the acquisition of HCI and its related entities, which owned two operational medical dispensaries in Springfield and Collinsville. Over the course of 2019, we aggressively scaled our cultivation and manufacturing capabilities in order to ensure adequate supply and customer access in our owned dispensaries for the start of adult-use sales in January 2020. Under the Illinois recreational act, existing operators were granted, as-right, a license to operate an additional adult-use dispensary for each existing medical dispensary they owned. These dispensaries were required to be in the same U.S. Bureau of Labor Statistics ("**BLS**") Region as the existing medical dispensaries. A BLS Region is a geographic area designated by the BLS to gather and categorize certain employment and wage data. There are 17 such regions in Illinois.

We sited our two HCI expansion dispensaries in Springfield and Fairview Heights. Our second Springfield site opened in November 2020 and our Fairview Heights dispensary is currently under construction and is expected to open in Spring 2021. We entered into an agreement to acquire MOCA in August 2020, which operates two Chicago-area dispensaries. MOCA's original dispensary in Logan Square has been operational since 2016 and is licensed for sales to both medical and adult-use customers. MOCA's second dispensary, which opened in August 2020, is located in the River North area of downtown Chicago just outside of the Chicago Loop shopping district and serves adult-use customers. We received approval from the Illinois Department of Financial & Professional Regulation for the acquisition of MOCA on December 15, 2020, and we closed on the transaction on December 23, 2020. On December 14, 2020, we entered into an agreement to acquire Midway Dispensary, an operational medical and adult use dispensary in Chicago located next to Midway Airport. Effective with the agreement date, we obtained financial control over Midway and began providing advisory services. The final closing date is pending the Illinois Department of Financial & Professional Regulation's approval of the license transfer. Midway Dispensary is permitted to open a second adult use dispensary. We have secured a site in Chicago Ridge, a suburb of Chicago, for this second dispensary and are currently under development.

Massachusetts

In 2018, the Company acquired two properties that were zoned for cannabis but unlicensed, which became the foundation of our operations in Massachusetts. The real property that is now our Boston, MA dispensary was acquired in May 2018 and our future Athol, MA cultivation was acquired in August 2018. We obtained local support for both properties and submitted applications with the Massachusetts Cannabis Control Commission. MassGrow LLC, which is the licensee for our Athol cultivation received its provisional license in May 2019 and commenced operations in November 2019. Our dispensary licenses are held by AscendMass, LLC. Our Boston dispensary received its final license in March 2021 and is expected to commence operations in Spring 2021. Our Newton location, which we lease, received its provisional license in June 2020 and is expected to commence operations in Summer 2021. In February 2020, we acquired Southcoast Apothecary LLC, which held the license application for a third adult-use dispensary located in New Bedford, MA. This dispensary was provisionally licensed in August 2020 and is expected to open in the second half of 2021. There is a license cap of three dispensaries in Massachusetts, and we cannot add any additional dispensaries under the current regulations.

New Jersey

Ascend New Jersey LLC acquired certain assets of Greenleaf Compassion Center, which holds a permit for the operation of an Alternative Treatment Center (each, an "**ATC**") in New Jersey on September 29, 2020. We currently operate one medical dispensary in Montclair, NJ and a cultivation and processing facility in Franklin, NJ. An ATC permit enables the holder to pursue two additional satellite dispensary locations, and, as such, we are currently pursuing licensing for two additional dispensary locations.

Michigan

We entered the Michigan market through a series of acquisitions over the course of 2019, acquiring the property that would become our Lansing cultivation and five dispensaries. Our licenses are held by FPAW Michigan, LLC. We closed on the acquisition of properties in Detroit in April 2019 and Battle Creek in August 2019. In July 2019, we acquired our Morenci dispensary property and entered into a back-to-back close and sale leaseback of the Lansing cultivation with Innovative Industrial Properties, and secured a $15 million tenant improvement allowance for the development of the property. In September 2019, we acquired certain lease agreements for our Ann Arbor dispensary. We operate under the Michigan Supply and Provisions retail banner in Michigan.

Ohio

Ascend Ohio, LLC entered into a unit purchase option agreement with BCCO, LLC ("**BCCO**"), which holds a license for a medical dispensary in Carroll, OH, in March 2019. The Carroll dispensary, which is 45 minutes southeast of Columbus, is branded Ohio Provisions and opened in September 2019. We have submitted applications for the full transfer of ownership of BCCO to a wholly owned subsidiary of AWH and are awaiting regulatory approval. The parties also entered into a consulting services agreement in April 2019, pursuant to which AWH provides certain consulting services relating to the operation of the medical dispensary business for a fixed monthly fee of $25,000, which can be adjusted at the discretion of AWH to reflect the scope and nature of services being provided to BCCO, plus expense reimbursement.

In January 2020, Ascend Ohio, LLC entered into an amended merger agreement with Hemma Operations, LLC ("**Hemma**"), which holds a license to operate a medical cannabis cultivation facility in Monroe, OH. We have submitted applications for the full transfer of ownership of Hemma to a wholly owned subsidiary of Ascend and are awaiting regulatory approval. We anticipate the transfer of ownership with the state of Ohio to be completed in the first half of 2021.

We also entered into an agreement with Marichron Pharma LLC, which was granted a processor license in Monroe, Ohio. This processing facility is currently being built-out and is expected to be operational in 2021.

New York

On February 25, 2021, we entered into the Investment Agreement with MedMen, under which we will, subject to regulatory approval, complete the Investment of approximately $73 million in MMNY, a licensed medical cannabis operator in New York. In connection with the investment, and subject to regulatory approval, MMNY will engage our services pursuant to the Management Agreement under which we will advise on MMNY's operations pending regulatory approval of the Investment transaction.

The transactions contemplated by the Investment Agreement are subject to customary closing conditions, including approval from the New York State Department of Health and other applicable regulatory bodies.

MMNY operates a cultivation and manufacturing facility in Utica, New York, and has four operational medical cannabis dispensaries. MMNY's dispensaries are in the Bryant Park neighborhood of New York City, Syracuse, Buffalo and Lake Success on Long Island.

U.S. Cannabis Landscape

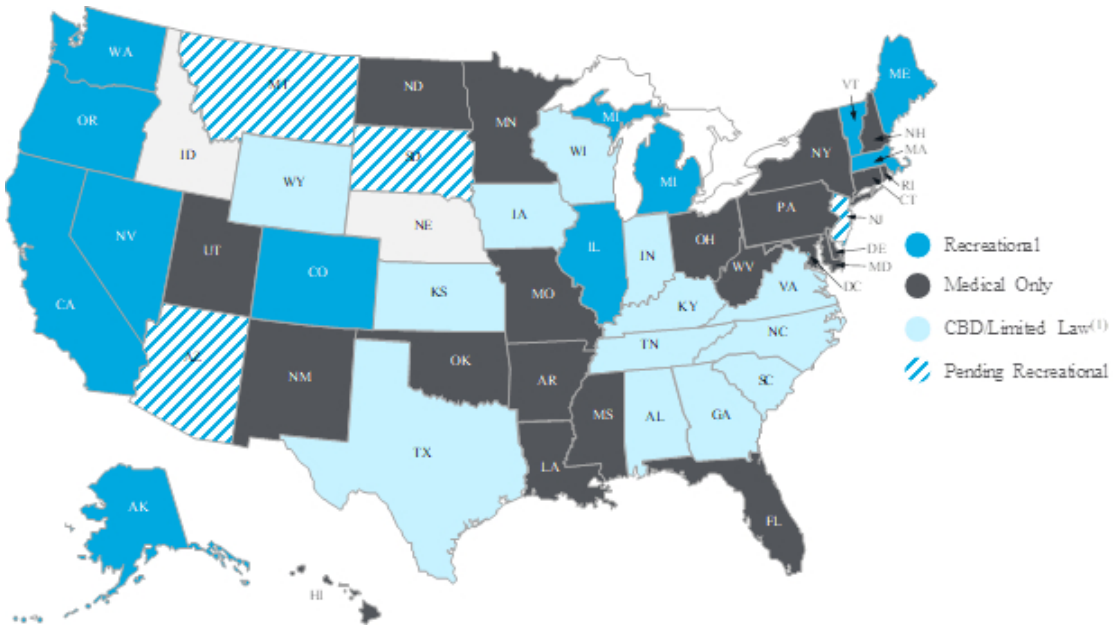
As illustrated by the map below, as of the date of this prospectus, a total of 36 states have legalized medical cannabis and 15 states have legalized cannabis for adult-use in some form, although not all of those jurisdictions have fully implemented their legalization programs. Three additional states (Connecticut, Pennsylvania and New York) are actively considering the legalization of cannabis for adult-use. Fourteen additional states have legalized high-cannabidiol (CBD), low tetrahydrocannabinol (THC) oils for a limited class of patients. Notwithstanding the continued trend toward further state legalization, cannabis continues to be categorized as a Schedule I controlled substance under the federal Controlled Substances Act and, accordingly, the cultivation, processing, distribution,

sale and possession of cannabis violate federal law in the United States as discussed further in "*Risk Factors — Cannabis remains illegal under U.S. federal law, and enforcement of cannabis laws could change.*"

We believe support for cannabis legalization in the United States is gaining momentum. According to a November 2020 poll by the Gallup organization, approximately 68% of Americans support the legalization of cannabis for medical or adult-use. In the recent November 3, 2020 election, voters in five states had the opportunity to vote on state legalization of cannabis for medical or adult-use. Voters approved the legalization of cannabis for adult-use in Arizona, New Jersey, South Dakota and Montana. Voters in Mississippi and South Dakota approved the legalization of medical cannabis. These ballot initiatives pushed the number of adults in medical cannabis states to approximately 174 million (69% of the country's adult population) and the number of adults in adult-use states to approximately 85 million (34% of the country's adult population). According to The State of the Legal Cannabis Markets, 8th Edition, published by Arcview Market Research on May 5, 2020, the top seven adult-use geographic markets by population in the U.S. were California, Illinois, Michigan, New Jersey, Washington, Arizona and Massachusetts and the top five medical geographic markets by population were Texas, Florida, New York, Pennsylvania and Ohio. Our footprint gives us a presence in four of the top seven adult-use markets and two of the top five medical geographic markets.

The U.S. cannabis industry has experienced significant growth over the past 12 months fueled in part by increasing consumer acceptance and the legalization of medical and adult-use cannabis across the United States. According to Arcview/BDSA, U.S. adult-use spending is on track to grow 27.9% in 2020 to $9.4 billion and grow at a 21.7% compound annual growth rate ("**CAGR**") to $23.8 billion by 2025, while the U.S. medical market is on track to grow 36.1% to a total of $6.9 billion in 2020, and grow at a 7.9% CAGR to $10.1 billion by 2025.

Regulatory Status of the U.S. Cannabis Market[(1)]



Source: Public disclosure
(1) CBD/Limited Law states permit medical use of cannabis products that have little or no THC.

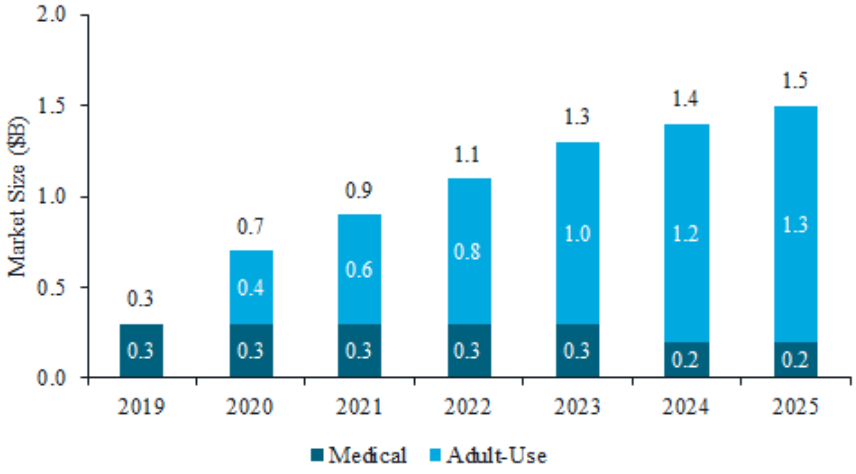
Our Markets

We operate or have contractual relationships in Illinois, Massachusetts, Michigan, New Jersey and Ohio, which cumulatively represent 15% of the United States' adult population, according to 2019 U.S. Census Bureau data. The regulatory status and market characteristics of each of those states are outlined below. Please refer to the section titled "*Business - Operations Summary*" for a summary of our operations in each such state.

Illinois

On June 25, 2019, Illinois, population 12.7 million, became the eleventh state to legalize adult-use cannabis and the first to do so by legislative action. Illinois' adult-use market reported a strong start to legalization, reaching nearly $110 million in spending from the sale of 2.6 million cannabis items in the first three months of operation. Adult-use spending is expected to see robust growth through the next five years, and exceed $1.3 billion in sales by 2025. Medical spending is anticipated to peak in 2021 at $317 million in sales. Total legal cannabis sales in Illinois are forecasted to grow to more than $1.5 billion by 2025. Illinois is one of just 13 legal cannabis markets in the U.S. forecasted by Arcview to break the $1 billion sales barrier.

Illinois Market Forecast ($ billions)

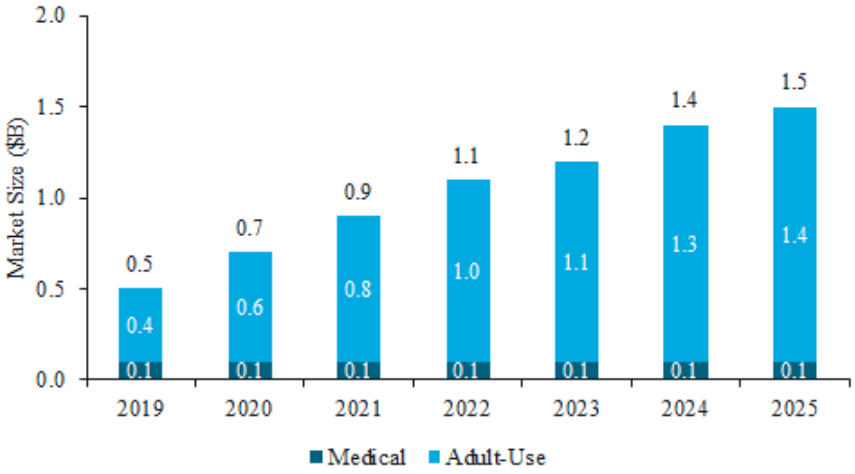


Source: 8th Edition, The State of the Legal Cannabis Markets, Arcview Market Research (Published May 5, 2020)

Massachusetts

On November 20, 2018, Massachusetts, population 6.9 million, legalized cannabis for adult-use and demonstrated strong starting results, with total sales increasing by 170% between 2018 and 2019, growing from $218 million to $587 million. Supply chain issues have somewhat tempered market potential, as retail rollouts have been slow due to a combination of slow licensing processes and local obstacles, such as zoning restrictions. As a result, a lack of product availability and variety, as well as high prices have strained market forecast expectations, but leave room for significant growth potential should supply chain issues be resolved over time. Total legal cannabis sales in Massachusetts are forecasted to reach nearly $1.5 billion in 2025, growing at a CAGR of 16.4% from 2019. Medical spending is expected to experience a steady decline to $72.4 million in 2025, while adult-use spending will grow at a CAGR of 20.9% to almost $1.4 billion.

Massachusetts Market Forecast ($ billions)

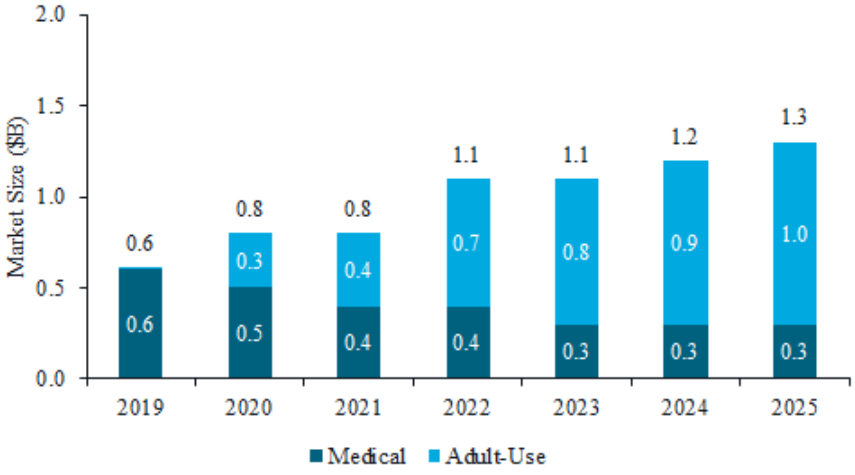


Source: 8th Edition, The State of the Legal Cannabis Markets, Arcview Market Research (Published May 5, 2020)

Michigan

Voters in Michigan, population 10.0 million, legalized adult-use in November 2018 and the formerly medical-only market commenced adult-use sales on December 1, 2019. The state generated an estimated $46.5 million in adult-use sales during the first quarter of 2020. Growth in 2021 is expected to be tempered by product shortages due to the lack of licensed cultivators and the state regulators estimate it could take up to 18 months before supply can adequately meet demand. Total sales are expected to grow by 29% to reach $825 million in 2020 and $1.3 billion in 2025.

Michigan Market Forecast ($ billions)

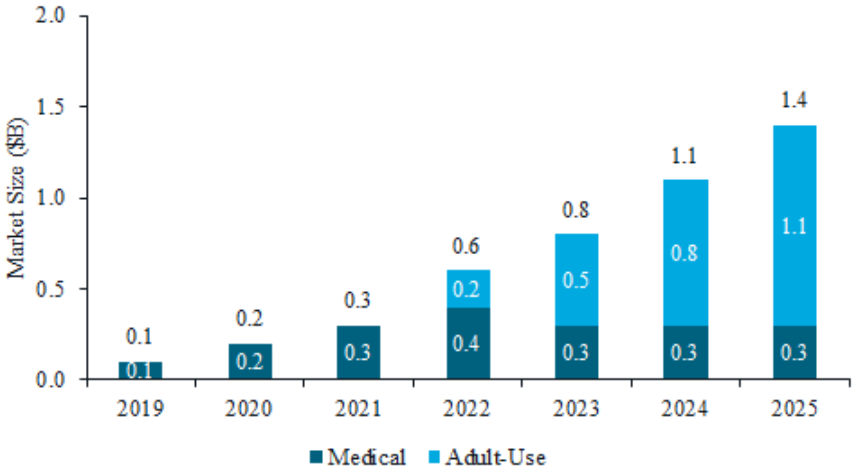


Source: 8th Edition, The State of the Legal Cannabis Markets, Arcview Market Research (Published May 5, 2020)

New Jersey

On November 3, 2020, voters in New Jersey, population 8.9 million, authorized the legalization of adult-use cannabis. Adult-use sales are expected to commence in early 2022 and are forecasted to reach $206 million in 2022, while medical sales are expected to peak at $351 million in the same year. By 2025, adult-use sales are anticipated to grow to $1.1 billion, while medical sales are expected to decline to $273 million.

New Jersey Market Forecast ($ billions)



Source: 8th Edition, The State of the Legal Cannabis Markets, Arcview Market Research (Published May 5, 2020)

New York

In July 2014, New York, population 20 million, became the 23rd state to legalize the use of cannabis for medical purposes, with sales beginning in 2016. Governor Cuomo included a provision to legalize cannabis for adult-use in his Executive Budget Proposal for 2021-2022 and has publicly committed to passing adult-use cannabis legislation in 2021. Given this commitment, the budget shortfall in New York caused by the COVID-19 pandemic and New Jersey's passage of adult-use cannabis legislation in February 2021, we believe it is highly likely that New York will become an adult-use market in the next few years. Assuming adult-use cannabis is legalized in New York in the coming years, total spending in New York is anticipated to reach $1.6 billion in 2025, growing at a 46.9% CAGR from 2019. Total cannabis market spending in New York was $161 million in 2019 (Source: 8th Edition, The State of the Legal Cannabis Markets, Arcview Market Research (Published May 5, 2020)). There are currently ten licensed vertically integrated operators in New York.

Ohio

In May 2016, Ohio, population 11.7 million, became the 26th state to legalize the use of cannabis for medical purposes, with sales beginning in January 2019. A campaign for a 2020 adult-use cannabis ballot initiative failed to gain traction in part because of the COVID-19 pandemic; however, we believe it is highly likely that Ohio will become an adult-use market in the next few years. Assuming adult-use cannabis is legalized in Ohio in the coming years, total spending in Ohio is anticipated to reach $644 million in 2025, growing at a 49.2% CAGR from 2019.

Total cannabis market spending in Ohio was $58 million in 2019 (Source: 8th Edition, The State of the Legal Cannabis Markets, Arcview Market Research (Published May 5, 2020)).

Our Growth Strategies

Growth From Activation and Optimization of Existing Asset Portfolio

Currently, approximately one third of our portfolio of cultivation and dispensary assets are generating revenue and we expect the remainder of these assets to begin generating revenue over the course of the 2021 calendar year. We believe revenue growth and increased profitability should follow a step function approach throughout the year and we expect our run-rate financial performance at year-end 2021 to be more representative of the full potential of our asset base. We are focused on opening our dispensaries and executing on our canopy expansion plans to achieve both our revenue growth plans and to increase profitability and margins as there are significant carrying costs associated with our non-revenue generating assets, and, historically, our similar assets have achieved profitability in the first month once operational and selling product. Therefore, we do not face long lead times to achieve profitability once we commence operations. We believe that we also have a significant opportunity to optimize the performance of our existing asset base by improving our yields, product mix, and achieving labor efficiencies through automation.

Pursue Accretive Acquisitions of Attractive Operators

Largely due to early license awards, there are a number of independent and single-state operators in the markets in which we operate today. These assets represent attractive acquisition opportunities for us, as we can leverage our local permitting expertise and operational and financial resources to optimize the performance of these assets. We have been successful thus far in navigating local permitting for the secondary dispensary sites of historical acquisitions, such as Paramus and Fort Lee in New Jersey and Fairview Heights in Illinois. We have also been able to improve the financial performance of acquired assets by implementing our standard operating procedures and technology stack such as live inventory, reserve ahead capabilities and loyalty programs as well as leveraging our shared corporate infrastructure. Finally, our ability to raise external capital has enabled us to undertake secondary site build-outs and cultivation expansions that would not have been possible under previous ownership. We believe that our ability to acquire these underperforming assets and optimizing their performance as outlined above has historically created, and will continue to create, significant value for our stockholders.

Execute on Identified Operational Initiatives

We continue to evaluate operational initiatives to improve our profitability by leveraging our purchasing power and strengthening our retail pricing and category management capabilities. We are also working to streamline and refine our marketing process and are investing in more sophisticated information technology systems and data analytics. In addition, we continue to further automate our manufacturing facilities to improve our throughput and optimize our headcount. Although we are still in the early stages of many of these initiatives, we believe that these operational improvements represent a significant cost-saving opportunity and we will continue to benefit from these and other efficiencies.

Building of Brand Portfolio and Introduction of New, Differentiated Products

We anticipate launching a number of new brands and form factors this year and over the course of calendar year 2021. While consumers tend to focus more on stains and potency in early-stage adult-use markets, we believe that long-term brands will be more successful and thus, we are focused on expanding our branded portfolio. Ozone, our branded line of flower, vapes and gummies, launched three new product types in Q4’20: a disposable with a rechargeable battery, a pre-pack 0.3g, repackable glass chillum and a live resin vape, a premium offering which addresses one of the fastest growing product categories in cannabis. Our strategy to date has been to focus on building our Ozone product line and establishing credibility in the market for our primary branded product. We also have an effects-specific brand, Tune, under development that will target the casual consumer and have its own line of flower, vapes and edible products.

We also have a very active edible product development pipeline and expect to offer additional flavors, SKUs and new form factors over the course of calendar year 2021. We launched Drops, a pressed tablet form factor, in partnership with 1906 in December 2020. We anticipate launching an Ozone branded micro-dose chewable mint and a 5.0mg vegan fruit-chew in multiple flavors in 2021. These launches will build on the success we have achieved to date with our strain-specific Ozone gummies. Edibles comprise approximately 15% of our sales in our markets and are a highly profitable form factor given the lower THC content, typically 10 mg per unit. Our revenue per pound on a dry equivalent basis and margins are more than double the pricing as well as our margins realized on our flower-based or other extracted products.

Selectively Apply in Competitive License Processes

We expect to selectively apply in competitive license processes in additional limited license markets. As these processes are competitive and require us to devote internal and external resources and often require the Company to pay property hold fees, we selectively evaluate processes and pursue opportunities where we view the risk-reward as favorable given the inherent value of these licenses. We have submitted applications for vertical licenses in the central-region of Virginia. We have also submitted applications for a number of dispensaries in Rhode Island. In each case, we have obtained local support for the applications. While these processes are extremely competitive and there is no guarantee that we will be successful in these endeavors, this offers another potential avenue to expand our operational footprint.

Cultivation

Our cultivation practices have been engineered for scalability and repeatability as we expand into additional states. We have continuously refined our cultivation operations to rapidly scale our output without sacrificing quality and consistency. Future expansion is planned to provide the infrastructure to diversify the seed supply and further mechanize and automate harvest operations. We believe we will be able to continue to rapidly scale cultivation by: (i) commencing operations at additional cultivation sites; (ii) expanding our canopy at existing cultivation sites; and (iii) increasing yields by dialing in genetics and environmental conditions and increasing the number of harvests.

We currently operate five cultivation facilities with 74,000 square feet of canopy with a production capacity of 38,000 pounds per year. We are undergoing expansions at our Barry, Illinois, Lansing, Michigan and Athol, Massachusetts cultivation facilities which are expected to be completed in 2021 and we expect to build facilities in Monroe, Ohio and New Jersey in 2022. The expansions are expected to approximately 58,000, 28,000, 37,000, 35,000 and 56,000 square feet of canopy, respectively, or a total of approximately 285,000 square feet of cumulative canopy, which is estimated to have a total production capacity of 142,000 pounds annually post build-out, assuming production and yields are in line with the performance of our current operating canopy. We believe this large increase in capacity is needed to fulfill the increasing demand from our own retail network as additional dispensaries come online as well as the needs of the third-party dispensaries via wholesale sales. The wholesale opportunity in the states in which we operate remains robust, with demand generally outpacing supply. In New Jersey, where we are undertaking a significant canopy expansion, there are only 12 licensed operators, many of which have sub-scale cultivations, and the medical market is currently significantly undersupplied. With the New Jersey market moving toward the legalization of adult-use cannabis sales in the near-term, we anticipate robust demand for wholesale product. We anticipate that our portfolio will remain relatively balanced between wholesale and retail sales, despite this increase in production capacity. See "*Cautionary Note Regarding Forward-Looking Statements.*"

We are focused on driving biomass cost per gram lower to create a competitive advantage in the limited license states in which we operate. We have used strain rationalization, improved cultivation practices, and investments in technology to drive significantly higher yields per square foot. We are maximizing the canopy of our existing indoor grows through innovative multi-tiered designs. We are using less capital-intensive greenhouses to add capacity in our biggest market, Illinois, and are planning to add outdoor grows where allowed for inexpensive source material for extract products.

Manufacturing

Our manufacturing operations are centered around the quality of our products and the efficiency of their production. Our manufacturing operations are co-located with our cultivation facilities in each of our markets. We strive to produce high quality, consistent products across our manufacturing facilities, and have implemented strict brand and quality assurance standards and standard operating procedures to ensure consistent product and consumer experience across all operating markets. Almost all of the raw material input we use to produce finished cannabis consumer packaged goods, except packaging materials, are cultivated or processed internally for further use in the manufacturing process. In anticipation of our continued growth, we have planned for additional production manufacturing space and capabilities in all of our markets. These manufacturing operations will be constructed using state of the art processes and equipment to deliver superior products to our customers at the lowest possible cost to produce.

In calendar year 2020, approximately two-thirds of sales out of our Barry, Illinois facility are dedicated to flower-based form factors with the remaining biomass utilized for extracted products including vapes, edibles and concentrates. Our manufacturing in both the Athol, Massachusetts and Franklin, New Jersey facilities is currently limited to flower-based form factors, but we anticipate having ethanol- and butane-based extraction capabilities at Athol in calendar year 2021. We currently manufacture and package 65 SKUs in Illinois, 26 SKUs in Michigan, 7 SKUs in Massachusetts and 4 SKUs in New Jersey.

We are focused on scaling capacity, improving yields and increasing efficiency. This includes adding senior level leadership in operations from industries outside of cannabis with experience driving lean transformational changes. We are standardizing and increasing capacity in our hydrocarbon and ethanol extraction wherever possible to maximize product quality and throughput and improve crude yields. We are making investments in manufacturing and extraction technology, including high speed flower packaging, cartridge filling and automated pre-rolling as major drivers of labor efficiency.

Retail

We believe our vision and standard operating procedures differentiate us from competitors, particularly in the Illinois market, where we currently operate six dispensaries with plans to open two additional dispensaries in calendar year 2021.

We focus on six key pillars to define our retail strategy:

Vision - We believe in using the power of the cannabis plant to help people better their lives. As a company we have a strong commitment to the success of the brand and maintaining this vision.

People - We focus on hiring store managers who have prior experience in cannabis and focus on talent development for the rest of our store employees. We have an extensive onboarding and training program focused not only on brand and product knowledge, but also on creating a great customer experience. Training sessions are led by associates that have proven success in their expertise and have expressed a desire to grow within the Company.

Culture - Our employees are motivated by daily sales goals we set at the stores. We reach our goals by ensuring we have the right product and the right talent in place to deliver a best-in-class customer experience. Our stores measure week over week sales growth, peak days for volume, transactions, gross margin and other key performance metrics. We collect and analyze the data available to us to continually improve our processes and sales strategy.

Menu Management - Our menu management team is actively working alongside our wholesale team and third party vendors. Our purchasing manager builds wholesale third party relationships in order to ensure broad inventory selections across dispensaries. We believe this is critical to our customer retention, which is reflected in over 2.0 customer visits a month with average basket size of $126 in Illinois in the fourth quarter of 2020.

Online Ordering & Reservation - Online ordering has been critical to our operations during the COVID-19 pandemic. Customers order online from our online menu and when completing an order, make a reservation to come in and pick up their order. While online ordering & reservations have grown with the COVID-19 pandemic, we believe they will continue to be a meaningful part of the customer ordering plan after the disruptions caused by the COVID-19 pandemic subside.

Compliance Management - Each dispensary has a support manager dedicated to making sure the team and the dispensary are complying with state regulations. This support manager also pays close attention to any COVID-19 requirements as we navigate through the pandemic.

Wholesale

We expect to drive wholesale growth by maximizing the productivity of our existing facilities, increasing market share through category expansion or new product launches and leveraging our existing licensed cultivation and manufacturing assets through partnerships with established brands who are looking to expand into our states in a capital-light manner. Our key strategies to drive growth in our wholesale segment are below:

Wholesale Category Management and Expansion

Our focus is developing products for everyday cannabis consumers that want convenience, portability, reliability and flexible dose control. Our development is focused on pre-rolls, vapes, edibles and other ready-to-use product forms that we expect to outperform whole flower over time. We are also looking to partner with established cannabis brands that complement our own portfolio and manufacturing capabilities.

We are focused on expanding our vape offering, including live products and ratio products that represent fast growing segments of the vape category. We expect the pre-roll category to grow significantly as the preferred way to consume flower for many customers. We intend to launch multiple additional pre-roll SKUs in smaller sizes, innovative multi-pack options and premium infused pre-rolls. We are expanding our edibles manufacturing capabilities to provide micro-dose product forms along with additional forms desired by the market.

Strategic partnerships will be part of growing our business. We have partnered with the brand Cookies to produce their premium flower products in Illinois, Massachusetts and New Jersey through a licensing deal. We have also partnered with Airo Brands to produce their proprietary vape cartridge in Illinois and Michigan and 1906 to produce their innovative Drops edibles in Illinois. Building incremental brand partnerships is an important part of our strategy as we seek to find additional brands that complement our current portfolio and leverage our asset base of licensed manufacturing sites.

Strategic Sourcing

We are continuing our focus on supply chain optimization and strategic sourcing as we scale, allowing our growing base to provide leverage across the organization. This includes a focus on supplier rationalization, so that best-in-class supply partners are providing full end-to-end service across the enterprise. Building a common base of operating procedures, packaging and supply components, and supply partners across the organization is critical to this strategic direction.

Almost all of the raw material input we use to produce finished cannabis consumer packaged goods, except packaging materials, are cultivated or processed internally for further use in the manufacturing process. In anticipation of continued growth, we have planned for additional production manufacturing space and capabilities in all of our markets. These manufacturing operations will be constructed using state of the art processes and equipment to deliver superior products to our customers and at the lowest possible cost to produce. See “*Business - Cultivation*” and “*Business - Manufacturing*.”

As we build out our strategic sourcing organization, our focus will be on procurement of supplies and materials, along with sourcing of biomass and related byproducts where markets and regulations allow. This will allow our

growth to scale even more rapidly than our canopy and will allow us to flex with the short-term dynamics recognized in any market.

Brands, Products and Marketing

Retail Brands

We and our partners currently operate 13 dispensaries across our markets. We are focused on building a national chain of dispensaries that offer the best selection of products, at the best price and with the best shopping experience.

To help us achieve this goal, we recently re-branded our stores in southern Illinois from Illinois Supply and Provisions to Ascend. We are working to build a recognizable multi-state brand of dispensaries, which now includes Ascend IL and Ascend NJ and will soon include Ascend MA. The brand recognition that we build in one state can easily be transferred to our other stores and markets. Having a consistent and repeatable experience in all our stores will enable us to grow the awareness and reputation around Ascend dispensaries, which in turn creates more value for the Ascend brand. A unified name also serves to save costs and amplifies our retail brand messaging. While we are increasingly moving to a unified retail brand strategy, we believe it is still important for each dispensary and state to have local roots and service their individual communities' needs. As we look to expand, we will continue to add Ascend-branded stores to build our national brand and consider re-naming some of our other existing retail stores to the Ascend brand name.

Retail Marketing Strategy

We continuously market through industry publications such as Weedmaps and Leafly, our own websites and social media channels, and more traditional channels such as billboards, flyers and posters. Our retail brands have thousands of reviews across multiple websites, including Google and Weedmaps, and our dispensaries are consistently highly-rated and reviewed within their local geographies. We also partner with a number of different companies to help us expand our marketing reach. Recently in specific markets, we engaged with new online advertising programs that allow us to geo-target competitors' customers and offer deals and incentives to visit an Ascend store. This program has allowed us to expand our customer base and increase sales for our participating stores.

In addition, we utilize our loyalty program to deepen our relationships with our customers. Each dispensary can sign customers up to join our loyalty program, except where prohibited by applicable law. Program participants consent to receive direct marketing via text or email, and are able to earn points and rewards for continuing to shop with Ascend stores. Our loyalty program enables us to undertake targeted, individualized promotions, such as offers for high value customers, reactivation of lapsed customers, birthdays, visit milestones, etc. Our loyalty program is one of our strongest marketing assets, where one single text could help drive six-digit sales.

Our retail stores engage in weekly marketing initiatives, locally and nationally. National campaigns focused on major holidays or events allow us to show the breadth of our various brands and offer similar campaigns to our customers across various states. Local initiatives allow our teams to market directly to their communities and help increase traffic and sales. These initiatives are frequently marketed through our own social media channels and in-house communication through our text loyalty program.

Product Brands

Our branded products portfolio includes SKUs across a range of product categories, including flower, pre-rolls, concentrates, vapes, edibles and other form factors.

We have taken a 'branded house' strategy within the product landscape. Our Ozone brand covers a variety of cannabis products, categories, and price ranges. Ozone has both a 'Core' tier through which we sell our high-quality yet accessible everyday cannabis products, as well as a 'Reserve' tier that houses our more unique and higher-grade

products. By focusing on one brand within multiple states, we can leverage our marketing expenditure effectively and build a large national brand. This strategy also allows us to quickly enter a new market with our own fully finished products and marketing.

Our Ozone brand is currently sold in Illinois, Massachusetts and Michigan offering a variety of products from flower to extracted products, like vape pens and edibles. Illinois hosted Ozone's initial product launch, and we believe the brand has become a well-known staple in the Illinois market, as it is carried by 78 of 86 dispensaries in the state as of the date of this registration statement. Ozone launched in Massachusetts in August 2020 and currently has a flower-only assortment in the state. Ozone's Michigan reach includes flower, vaporizers and edibles. We are looking to expand offerings in our Franklin, New Jersey production facility.

We pride ourselves on our products and our expression of brand through packaging and marketing initiatives. Ozone is currently a finalist for best cannabis packaging by Adcann, an industry publication.

Branded Products Marketing Strategy

Our Ozone brand is managed and marketed through a variety of medium including our own Ozone website, partner platforms, social media channels and in-store collateral. We believe in continually improving these assets through new packaging initiatives, photo shoots, customer engagement, and product expansion. We engage in frequent marketing initiatives for the Ozone brand, from online campaigns to consumer engagement opportunities, such as the Illinois Cannabis Cup.

A large portion of product marketing is through partner dispensaries. Brands rely heavily on the word of the budtender, the gatekeepers of their products. In order to help these partners better promote the Ozone brand, and sell-through product, we create educational materials, provide them with updated digital and display marketing assets, and send branded gear for their budtenders to proudly wear. We also launched a new Ozone website in Q4'20, which includes in-depth product descriptions and insights, helping existing consumers better understand their Ozone products.

Product expansion is key to continuing to market the Ozone brand. In November 2020, we launched a disposable vape with a rechargeable battery. In December 2020, we launched a pre-pack 0.3g glass chillum and a live resin vape, a premium offering which addresses one of the fastest growing product categories in the cannabis market.

Supply Chain Process

We operate in limited license states in highly regulated markets. Therefore, controlling our supply chain is a critical factor in successfully operating in each state. We are focused on becoming vertically-integrated in all of our markets to ensure we manage the entire supply chain managed from seed to sale, including cultivation, manufacturing and packaging.

Packaging

Our final step prior to distribution to our retail stores or third-party wholesalers is packaging. We keep strict product quality and assurance controls dependent on each state regulations. We have a variety of packaging across both our flower and extracted products.

Packaging for the Ozone branded portfolio was completed in-house and sourced using third-party demand aggregators, who are able to achieve better pricing with scale buys. We utilize glass jars for our Reserve flower and mylar bags for our Core flower-based products. Edibles utilize a variety of packaging form-factors depending on the SKU being produced including plastic jars, metal tins and pop-top tubes. Vapes utilize both cardboard cartons and mylar bags, but some of our vapes utilize different packaging for each flavor or strain. In addition to managing packaging for a growing SKU portfolio, all product packaging must adhere to varying state regulations, which can vary widely from state to state and can hinder our efforts to unify our packaging design. As we bring more brands

and form factors to market, packaging design and sourcing will increasingly be in focus, and we anticipate that we will devote additional internal and external design resources to these efforts.

Significant Customers

Our sales are primarily to our customers through our retail dispensaries, and to third party dispensaries in certain jurisdictions. We are not dependent upon a single customer, or a few customers, and the loss of any one or more of which would not have a material adverse effect on the business. No customer accounted for 10% or more of our consolidated net revenue during calendar years 2020, 2019 or 2018.

Omnichannel Strategy

We generated approximately 65% of our revenue from retail and 35% from wholesale in calendar year 2020. We estimate that our wholesale to retail mix will be split more evenly by the end of 2022 when our cultivation assets are fully built out. While we currently see supply shortages in our limited license states, we believe it is important to have a significant retail footprint to maintain pricing power within our brands and as more supply becomes available in our markets.

Intellectual Property—Patents and Trademarks

We believe that brand protection is critical to our business strategy. Where possible, we protect our intellectual property rights in connection with our operating names (e.g., Ascend), our products (e.g., Ozone) and certain patentable goods and services. The U.S. trademark statute, The Lanham Act, allows for the protection of trademarks and service marks on products and services used, or intended for use, lawfully. Because cannabis-related products and services remain illegal at the federal level under the Controlled Substances Act, we are not able to fully protect our intellectual property at the federal level; therefore, we currently seek trademark protections at the state level where commercially feasible. Nonetheless, our success depends upon other areas of our business such as product development and design, production and marketing and not exclusively upon trademarks, patents and trade secrets.

Since receiving our cultivation licenses, we have developed proprietary cultivation techniques. We have also developed certain proprietary intellectual property for operating butane extraction, carbon dioxide extraction and ethanol extraction machinery, including production best practices, procedures and methods. This requires specialized skills in cultivation, extraction and refining.

We rely on non-disclosure/confidentiality agreements to protect our intellectual property rights. To the extent we describe or disclose our proprietary cultivation or extraction techniques in applications for cultivation or processing licenses, we redact, or request redaction of, such information prior to public disclosure.

We own several website domains, including www.awholdings.com, numerous social media accounts across all major platforms and various phone and web application platforms.

We are currently in the process of submitting applications to protect our brands and marks. We will continue to rely on common law protection for these brands during the trademark registration process. Moreover, we proactively seek intellectual property protection for brand expansions in current markets as well as any new market expansion. For additional details on the risks associated with the lack of trademark protection, see “*Risk Factors*” with respect to intellectual property.

Social Responsibility

While we understand and appreciate how fortunate we are to be in a position to help build and guide the future of modern cannabis, we are also acutely aware of the lives that have been impacted, especially in minority communities, through decades of unjust laws and inequitable enforcement. We think this is unacceptable, which is why we have teamed up with the Last Prisoner Project through a donation match program. We are seeking to raise $250,000, evenly split between customer donations and AWH match. The Last Prisoner Project is a nonprofit

coalition of cannabis industry leaders, executives, and artists dedicated to bringing restorative justice to the cannabis industry.

Working Capital

Effective inventory management is critical to our ongoing success and we use a variety of demand and supply forecasting, planning and replenishment techniques. We strive to maintain sufficient levels of inventory for core product categories, positive vendor and customer relationships and carefully plan to minimize markdowns and inventory write-offs. We typically carry four to six weeks of inventory at our dispensaries and maintain minimum wholesale inventory levels by SKU based on market demand for these SKUs. We will also enter into supply agreements with cultivators as needed to ensure adequate inventory as needed, whether to supplement our owned cultivation operations or in jurisdictions in which we have yet to achieve vertical integration.

For additional details on liquidity and capital resources, see "*Management's Discussion and Analysis of Financial Condition and Results of Operations.*"

Number of Employees

As of March 26, 2021, we have approximately 1,000 employees nationwide including corporate, retail, manufacturing and part-time employees, including but not limited to: finance and accounting, legal and compliance, supply chain and operations, sales and marketing, commercial and cannabis agriculture, chemists, customer service, construction and project management, real estate and human resources. Approximately 850 of our employees are full-time employees.

Environmental Compliance

Expenditures for compliance with federal, state and local environmental laws and regulations are consistent from year to year and are not material to our financials. We are compliant with all applicable regulations and do not use materials that would pose any known risks under normal conditions.

Competitive Conditions

The markets in which our products are distributed are highly competitive. We compete directly with single state and larger multi-state cannabis producers and retailers. More broadly, we view manufacturers of other consumer products, such as those in the pharmaceuticals, alcohol, tobacco, health and beauty and functional wellness industries, as potential competitors. Product quality, performance, new product innovation and development, packaging, customer experience and consumer price/value are important differentiating factors. While we face intense competition, our industry faces relatively high barriers to entry given the licensed nature of the cannabis industry. See "*Risk Factors*" for additional detail regarding risks with respect to competition.

Overview of Government Regulation

Below is a discussion of the federal and state-level regulatory regimes in those jurisdictions where we are currently directly involved through our subsidiaries. Our subsidiaries and licensed operators with which we have contractual relationships are directly engaged in the manufacture, possession, sale or distribution of cannabis in the adult-use and/or medical cannabis marketplace in the states of Illinois, Massachusetts, Michigan, New Jersey and Ohio.

The U.S. federal government regulates drugs through the CSA, which places controlled substances, including cannabis, in a schedule. Cannabis is classified as a Schedule I controlled substance. The CSA explicitly prohibits the manufacturing, distribution, selling and possession of cannabis and cannabis-derived products as a consequence of its Schedule I classification. Classification of substances under the CSA is determined jointly by the DEA and the FDA. The DOJ defines Schedule I drugs and substances as drugs with no currently accepted medical use, a high potential for abuse and a lack of accepted safety for use under medical supervision. However, the FDA has approved Epidiolex, which contains a purified form of the drug CBD, a non-psychoactive cannabinoid in the cannabis plant,

for the treatment of seizures associated with two epilepsy conditions. The FDA has not approved cannabis or cannabis compounds as a safe and effective drug for any other condition. Moreover, under the 2018 Farm Bill or Agriculture Improvement Act of 2018, CBD remains a Schedule I controlled substance under the Controlled Substances Act, with a narrow exception for CBD derived from hemp with a tetrahydrocannabinol, which is commonly referred to as THC, concentration of less than 0.3%.

Unlike in Canada, where federal legislation uniformly governs the cultivation, distribution, sale and possession of medical and adult-use cannabis under the Cannabis Act, S.C. 2018, c. 16, and the Cannabis for Medical Purposes Regulations, cannabis is largely regulated at the state level in the United States. To date, there are 36 states, plus the District of Columbia (and the territories of Guam, Puerto Rico, the U.S. Virgin Islands and the Northern Mariana Islands), that have laws and/or regulations that recognize, in one form or another, legitimate medical uses for cannabis and consumer use of cannabis in connection with medical treatment. In addition, Alaska, Arizona, California, Colorado, Illinois, Maine, Massachusetts, Michigan, Montana, Nevada, New Jersey, Oregon, South Dakota, Vermont, Washington and the District of Columbia have legalized cannabis for adult-use. Fourteen states have also enacted low-THC/high-CBD only laws for medical cannabis patients.

State laws that permit and regulate the production, distribution and use of cannabis for adult-use or medical purposes are in direct conflict with the CSA, which makes cannabis use, distribution and possession federally illegal. Although certain states and territories of the U.S. authorize medical or adult-use cannabis production and distribution by licensed or registered entities, under U.S. federal law, the possession, cultivation, and transfer of cannabis and any related drug paraphernalia is illegal and any such acts are criminal acts under any and all circumstances under the CSA. The Supremacy Clause of the United States Constitution establishes that the United States Constitution and federal laws made pursuant to it are paramount and in case of conflict between federal and state law, the federal law shall apply. Although the Company's activities are believed to be compliant with applicable United States state and local law, strict compliance with state and local laws with respect to cannabis may neither absolve the Company of liability under United States federal law, nor may it provide a defense to any federal proceeding which may be brought against the Company.

The Obama administration attempted to address the inconsistent treatment of cannabis under state and federal law in the Cole Memorandum which outlined certain priorities for the DOJ relating to the prosecution of cannabis offenses. The Cole Memorandum acknowledged that, notwithstanding the designation of cannabis as a Schedule I controlled substance at the federal level, several states had enacted laws authorizing the use of cannabis for medical purposes. The Cole Memorandum noted that jurisdictions that have enacted laws legalizing cannabis in some form have also implemented strong and effective regulatory and enforcement systems to control the cultivation, processing, distribution, sale and possession of cannabis. As such, conduct in compliance with those laws and regulations is less likely to implicate the Cole Memorandum's enforcement priorities. The DOJ did not provide (and has not provided since) specific guidelines for what regulatory and enforcement systems would be deemed sufficient under the Cole Memorandum. In light of limited investigative and prosecutorial resources, the Cole Memorandum concluded that the DOJ should be focused on addressing only the most significant threats related to cannabis, such as distribution of cannabis from states where cannabis is legal to those where cannabis is illegal, the diversion of cannabis revenues to illicit drug cartels and sales of cannabis to minors.

On January 4, 2018, former U.S. Attorney General Jeff Sessions issued the Sessions Memorandum, which rescinded the Cole Memorandum effective upon its issuance. The Sessions Memorandum stated, in part, that current law reflects "Congress' determination that cannabis is a dangerous drug and cannabis activity is a serious crime," and Mr. Sessions directed all U.S. Attorneys to enforce the laws enacted by Congress by following well-established principles when pursuing prosecutions related to cannabis activities. We are not aware of any prosecutions of investment companies doing routine business with licensed cannabis related businesses in light of the new DOJ position. However, there can be no assurance that the federal government will not enforce federal laws relating to cannabis in the future. As a result of the Sessions Memorandum, federal prosecutors are now free to utilize their prosecutorial discretion to decide whether to prosecute cannabis activities, despite the existence of state-level laws that may be inconsistent with federal prohibitions. No direction was given to federal prosecutors in the Sessions Memorandum as to the priority they should ascribe to such cannabis activities, and thus it is uncertain how active U.S. federal prosecutors will be in relation to such activities.

While federal prosecutors appear to continue to use the Cole Memorandum's priorities as an enforcement guide, the prosecutorial effects resulting from the rescission of the Cole Memorandum and the implementation of the Sessions Memorandum remain uncertain. The sheer size of the cannabis industry, in addition to participation by state and local governments and investors, suggests that a large-scale federal enforcement operation may create unwanted political backlash for the DOJ. It is also possible that the revocation of the Cole Memorandum could motivate Congress to reconcile federal and state laws. While Congress is considering and has considered legislation that may address these issues, there can be no assurance that such legislation passes. Regardless, at this time, cannabis remains a Schedule I controlled substance at the federal level. The U.S. federal government has always reserved the right to enforce federal law in regard to the sale and disbursement of medical or adult-use cannabis, even if state law authorizes such sale and disbursement. It is unclear whether the risk of enforcement has been altered.

Additionally, under United States federal law, it may potentially be a violation of federal money laundering statutes for financial institutions to take any proceeds from the sale of cannabis or any other Schedule I controlled substance. Canadian banks are likewise hesitant to deal with cannabis companies, due to the uncertain legal and regulatory framework of the industry. Banks and other financial institutions, particularly those that are federally chartered in the United States, could be prosecuted and possibly convicted of money laundering for providing services to cannabis businesses. While Congress is considering legislation that may address these issues, there can be no assurance of the content of any proposed legislation or that such legislation is ever passed.

Despite these laws, FinCEN issued the FinCEN Memorandum outlining the pathways for financial institutions to bank state-sanctioned cannabis businesses in compliance with federal enforcement priorities. The FinCEN Memorandum echoed the enforcement priorities of the Cole Memorandum and states that in some circumstances, it is permissible for banks to provide services to cannabis-related businesses without risking prosecution for violation of federal money laundering laws. Under these guidelines, financial institutions must submit a Suspicious Activity Report ("**SAR**") in connection with all cannabis-related banking activities by any client of such financial institution, in accordance with federal money laundering laws. These cannabis-related SARs are divided into three categories - cannabis limited, cannabis priority, and cannabis terminated - based on the financial institution's belief that the business in question follows state law, is operating outside of compliance with state law, or where the banking relationship has been terminated, respectively. On the same day that the FinCEN Memorandum was published, the DOJ issued a memorandum (the "**2014 Cole Memorandum**") directing prosecutors to apply the enforcement priorities of the Cole Memorandum in determining whether to charge individuals or institutions with crimes related to financial transactions involving the proceeds of cannabis-related conduct. The 2014 Cole Memorandum has been rescinded as of January 4, 2018, along with the Cole Memorandum, removing guidance that enforcement of applicable financial crimes against state-compliant actors was not a DOJ priority.

However, former Attorney General Sessions' revocation of the Cole Memorandum and the 2014 Cole Memorandum has not affected the status of the FinCEN Memorandum, nor has the Department of the Treasury given any indication that it intends to rescind the FinCEN Memorandum itself. Though it was originally intended for the 2014 Cole Memorandum and the FinCEN Memorandum to work in tandem, the FinCEN Memorandum is a standalone document which explicitly lists the eight enforcement priorities originally cited in the Cole Memorandum. As such, the FinCEN Memorandum remains intact, indicating that the Department of the Treasury and FinCEN intend to continue abiding by its guidance. However, in the United States, it is difficult for cannabis-based businesses to open and maintain a bank account with any bank or other financial institution. On November 7, 2018, U.S. Attorney General Jeff Sessions resigned. On February 14, 2019, William Barr was confirmed as U.S. Attorney General. Mr. Barr resigned as Attorney General on December 23, 2020. On December 24, 2020, Jeffrey Rosen began serving as the Acting Attorney General of the United States. On January 20, 2021, Robert "Monty" Wilkinson replaced Jeffrey Rosen as the Acting Attorney General of the United States.

On March 11, 2021, former Chief Judge of the United States Court of Appeals for the District of Columbia Circuit, Merrick Garland, was sworn in as serve as Attorney General of the United States. It is not yet known whether the Department of Justice under President Biden and Attorney General Garland will re-adopt the Cole Memorandum or announce a substantive cannabis enforcement policy. If the Department of Justice policy under Attorney General Garland were to aggressively pursue financiers or owners of cannabis-related businesses, and

United States Attorneys followed such Department of Justice policies through pursuing prosecutions, then the Company could face (i) seizure of its cash and other assets used to support or derived from its cannabis operations, (ii) the arrest of its employees, directors, officers, managers and investors, and charges of ancillary criminal violations of the Controlled Substances Act for aiding and abetting and conspiring to violate the Controlled Substances Act by virtue of providing financial support to cannabis companies that service or provide goods to state-licensed or permitted cultivators, processors, distributors, and/or retailers of cannabis, and/or (iii) the barring of its employees, directors, officers, managers and investors who are not United States citizens from entry into the United States for life. Unless and until the United States Congress amends the Controlled Substances Act with respect to cannabis (and as to the timing or scope of any such potential amendments there can be no assurance), there is a risk that federal authorities may enforce current U.S. federal law criminalizing cannabis.

One legislative safeguard for the medical cannabis industry, appended to the federal budget bill, remains in place following the rescission of the Cole Memorandum. For fiscal years 2015, 2016, 2017, 2018, 2019 and 2020 Consolidated Appropriations Acts (currently referred to as the "**Rohrabacher/Blumenauer Amendment**") to prevent the federal government from using congressionally appropriated funds to enforce federal cannabis laws against regulated medical cannabis actors operating in compliance with state and local law. The Rohrabacher/Blumenauer Amendment was included in the Consolidated Appropriations Act, 2021 signed into legislation by President Trump in December 2020 to remain in effect until September 30, 2021. At such time, it may or may not be included in the omnibus appropriations package or a continuing budget resolution once the current Consolidated Appropriations Act, 2021 expires.

Despite the rescission of the Cole Memorandum, the DOJ appears to continue to adhere to the enforcement priorities set forth in the Cole Memorandum. The Cole Memorandum and the Rohrabacher/Blumenauer Amendment gave licensed cannabis operators (particularly medical cannabis operators) and investors in states with legal regimes greater certainty regarding the DOJ's enforcement priorities and the risk of operating cannabis businesses. While the Sessions Memorandum has introduced some uncertainty regarding federal enforcement, the cannabis industry continues to experience growth in legal medical and adult-use markets across the United States. Accordingly, as an industry best practice, we continue to employ the following policies to ensure compliance with the guidance provided by the Cole Memorandum:

- ensure that its operations are compliant with all licensing requirements as established by the applicable state, county, municipality, town, township, borough, and other political/administrative divisions;
- ensure that its cannabis related activities adhere to the scope of the licensing obtained (for example: in the states where cannabis is permitted only for adult-use, the products are only sold to individuals who meet the requisite age requirements);
- implement policies and procedures to ensure that cannabis products are not distributed to minors;
- implement policies and procedures in place to ensure that funds are not distributed to criminal enterprises, gangs or cartels;
- implement an inventory tracking system and necessary procedures to ensure that such compliance system is effective in tracking inventory and preventing diversion of cannabis or cannabis products into those states where cannabis is not permitted by state law, or cross any state lines in general;
- ensure that its state-authorized cannabis business activity is not used as a cover or pretense for trafficking of other illegal drugs, and is not engaged in any other illegal activity, or any activities that are contrary to any applicable anti-money laundering statutes; and
- ensure that its products comply with applicable regulations and contain necessary disclaimers about the contents of the products to prevent adverse public health consequences from cannabis use and prevent impaired driving.

On June 7, 2018, the Strengthening the Tenth Amendment Through Entrusting States Act (the "**STATES Act**") was introduced in the Senate by Republican Senator Cory Gardner of Colorado and Democratic Senator Elizabeth Warren of Massachusetts. A companion bill was introduced in the House by Democratic representative Jared Polis of Colorado. The bill provides in relevant part that the provisions of the CSA, as applied to cannabis, "shall not apply to any person acting in compliance with state law relating to the manufacture, production, possession, distribution, dispensation, administration, or delivery of marijuana." Even though cannabis will remain within

Schedule I of the CSA under the STATES Act, the bill makes the CSA unenforceable to the extent it conflicts with state law. In essence, the bill extends the limitations afforded by the protection within the federal budget—which prevents the DOJ and the DEA from using funds to enforce federal law against state-legal medical cannabis commercial activity—to both medical and adult-use cannabis activity in all states where it has been legalized. The STATES Act was reintroduced on April 4, 2019 in both the House and the Senate. Since the STATES Act is currently draft legislation, there is no guarantee that the STATES Act will become law in its current form.

On December 4, 2020, the House of Representatives passed the Marijuana Opportunity Reinvestment and Expungement Act of 2019 (the "**MORE Act**"). The MORE Act would provide for the removal of cannabis from the list of controlled substances in the CSA and other federal legislation. It would end the applicability of Section 280E to cannabis businesses but would impose a 5% federal excise tax. The MORE Act was not passed by the Senate prior to the end of the 116th Congress and would need to be reintroduced and passed by the House of Representatives and Senate and signed into law by the president. There is no guarantee the MORE Act will become law in its current form. Overall, there were more than 1500 cannabis-related bills moving through state legislatures and Congress for the 2020 sessions.

On March 18, 2021, the SAFE Banking Act was reintroduced in the House of Representatives. On March 23, 2021, the bill was reintroduced in the Senate as well. The House previously passed the SAFE Banking Act in September 2019, but the measure stalled in the Senate. As written, the SAFE Banking Act would allow financial institutions to provide their services to state-legal cannabis clients and ancillary businesses serving state-legal cannabis businesses without fear of federal sanctions. There is no guarantee the SAFE Banking Act will become law in its current form, if at all.

Compliance with Applicable State Laws in the United States

We are in compliance with applicable cannabis licensing requirements and the regulatory framework enacted by each state in which we currently operate. We currently have an administrative proceeding pending against the Company in Illinois for 12 counts of regulatory violations dating from October 2019 to January 2020 including camera outages, doors being propped open during construction and a failed security incursion. All of the alleged violations have been remediated, and we are contesting the complaint. Other than as disclosed, we have not been subject to any non-compliance, citations or notices of violation which may have an impact on our licenses, business activities or operations.

We have in place a detailed compliance program and an internal legal and compliance department, and we are building out our operational compliance team across all states in which we operate. Our compliance department is overseen by our chief compliance officer and our senior vice president of compliance, and further consists of compliance professionals who oversee and ensure compliance in each of our jurisdictions and facilities. We also have external state and local regulatory/compliance counsel engaged in every jurisdiction in which we operate.

We provide training for all employees, using various methods on the following topics relevant to job tasks: compliance with state laws and rules; patient education materials; education materials for recreational customers; security in our facilities and establishments; handwashing and sanitation practices; packaging procedures; state mandated tracking software; establishment specific tracking; track and trace; inventory and POS software; audit procedures; epidemic responses; emergency situation response; dispensing procedures; patient/client check-in procedure; employee education and consultation materials; packaging and labeling requirements; cannabis waste and destruction; active shooter response; robbery response; fire response; bomb-threat response; sexual harassment; drug free workplace; internet and phone usage; discrimination harassment; workplace violence; hygiene and clothing requirements; hand washing; medical emergency response; biocontamination response; gas leak response; visitor access; discounts for special groups; customer loyalty programs; client intake; storage and recall of products; the science of cannabis; speaking with physicians; edibles education; reconciling transactions; inventory control; receiving inventory; shipping inventory; corrective and preventive action plans; filing corrective and preventive action reports; pesticides; wastewater; irrigation systems; fertilizer; beneficial organisms; climate control; transplanting; inventory tagging; pruning; defoliation; drying, trimming and curing; storage of products; maintaining confidentiality; cash handling; and preventing diversion of products.

We emphasize security and inventory control to ensure strict monitoring of cannabis and inventory, from delivery by a licensed distributor to sale or disposal. Only authorized, properly trained employees are allowed to access our computerized inventory control system.

We monitor all compliance notifications from the regulators and inspectors in each market and timely resolve any issues identified. We keep records of all compliance notifications received from the state regulators or inspectors, as well as how and when an issue was resolved. Moreover, we monitor news sources for information regarding developments at the state and federal level relating to the regulation and criminalization of cannabis.

Further, we have created comprehensive standard operating procedures that include detailed descriptions and instructions for receiving shipments of inventory, inventory tracking, recordkeeping and record retention practices related to inventory. We also have comprehensive standard operating procedures in place for performing inventory reconciliation, and ensuring the accuracy of inventory tracking and recordkeeping. We maintain accurate records of our inventory at all licensed facilities. Adherence to our standard operating procedures is mandatory and ensures that our operations are compliant with the rules set forth by the applicable state and local laws, regulations, ordinances, licenses and other requirements. We ensure adherence to standard operating procedures by regularly conducting internal inspections and ensures that any issues identified are resolved quickly and thoroughly.

We maintain strict compliance guidelines with respect to online reservations of products. No purchase and sale transactions may be completed online. A patient, patient's primary caregiver or customer may reserve products online, but the patient or customer must be physically present at one of our dispensaries to complete the transaction. This requirement allows our dispensary staff to ensure that our standard operating procedures (including its compliance programs) are applied to all patients, patient's primary caregivers and customers in connection with the purchase and sale of products.

In jurisdictions where medical cannabis is legal, upon arrival of the patient or the patient's primary caregiver at the applicable dispensary, dispensary staff must verify the patient's or the patient's primary caregiver's identity and credentials (such as a state-issued medical cannabis card) and confirm the patient's allotment amount to ensure the user is not exceeding the state's dispensing limits. Once the foregoing is verified, the patient or the patient's primary caregiver may pay for the products to complete the purchase. If the customer does not have valid identification and credentials, the customer will not be able to purchase medical cannabis at the applicable dispensary, irrespective of any reservations made online.

In jurisdictions where recreational cannabis is legal, upon arrival at the dispensary, a customer must present government-issued photo identification to verify they are at least 21 years of age. Once the identification is verified, the customer may pay for the products to complete the transaction. If the customer does not have valid identification, the customer will not be able to purchase recreational cannabis at the applicable Company dispensary, irrespective of any reservations made online.

We will continue to monitor compliance on an ongoing basis in accordance with our compliance program and standard operating procedures. While our operations are in full compliance with all applicable state laws, regulations and licensing requirements, such activities remain illegal under federal law. For the reasons described above and the risks further described in the section entitled "*Risk Factors*," there are significant risks associated with our business. Readers of this prospectus are strongly encouraged to carefully read all of the risk factors contained in "*Risk Factors*."

State Regulation of Cannabis

The risk of federal enforcement and other risks associated with our business are described in the section entitled *"Risk Factors."*

Following the thesis that distributing brands at scale will win, we enter markets where we believe that we can profitably and sustainably operate and command significant market share, and thus maximize consumer and brand awareness. The regulatory frameworks enacted by the states, which are similar to the limited and controlled issuance

of gaming or alcohol distributorship licenses, provide macro-level indication of whether certain state markets will be sustainable and profitable.

Below is a summary overview of the regulatory and competitive frameworks in each of our operating markets.

Illinois

Illinois Regulatory Landscape

In January 2014, the Compassionate Use of Medical Cannabis Pilot Program Act, which allows individuals diagnosed with certain debilitating or "qualified" medical conditions to access medical cannabis, became effective. There are over 35 qualifying conditions as part of the medical program, including epilepsy, traumatic brain injury, and post-traumatic stress disorder. In January 2019, the Illinois Department of Health launched the Opioid Alternative Pilot Program, that allows individuals who have/could receive a prescription for opioids to access medical cannabis.

On August 28, 2018, Public Act 100-1114, the Alternative to Opioids Act of 2018, was signed into law, making changes to the Compassionate Use of Medical Cannabis Pilot Program Act. The Public Act created the Opioid Alternative Pilot Program ("**OAPP**"), which allows access to medical cannabis for individuals who have or could receive a prescription for opioids as certified by a physician licensed in Illinois.

On August 12, 2019 Governor J.B. Pritzker signed into law legislation that made the program permanent and added 11 conditions to the existing program.

In June 2019, Illinois legalized adult-use cannabis pursuant to the Cannabis Regulation and Tax Act (the "**IL Act**"). Effective January 1, 2020, Illinois residents 21 years of age and older may possess up to 30 grams of cannabis (non-residents may possess up to 15 grams). The IL Act authorizes the Illinois Department of Financial and Professional Regulation (the "**IDFPR**") to issue up to 75 Conditional Adult Use Dispensing Organization licenses before May 1, 2020 and an additional 110 conditional licenses during 2021 (no person may hold a financial interest in more than 10 dispensing organizations). Existing medical dispensaries were able to apply for an "Early Approval Adult Use Dispensing Organization License" to serve adult purchasers at an existing medical dispensary or at a secondary site. The IDFPR also held an application period for Conditional Adult Use Cannabis Dispensary Licenses from December 10, 2019 through January 2, 2020. To date, the IDFPR has granted a total of 82 Adult-Use Dispensing Licenses. According to the Cowen report, Charting Cannabis: A U.S. State Level Deep Dive, published February 19, 2020, there were 55 open dispensaries in Illinois as of the end of 2019.

The Illinois Department of Agriculture (the "**IL Ag. Department**") is authorized to make up to 30 cultivation center licenses available for medical and adult-use programs. As with existing medical dispensaries, existing cultivation centers were able to apply for an "Early Approval Adult Use Cultivation Center License." The IL Ag. Department issued approximately 21 Early Approval Adult Use Cultivation Center licenses to date. No person can hold a financial interest in more than three cultivation centers, and the centers are limited to 210,000 square feet of canopy space. Cultivation centers are also prohibited from discriminating in price when selling to dispensaries, craft growers, or infuser organizations. The IL Ag. Department was also permitted to license up to 40 craft growers and 40 infuser organizations by July 1, 2020 and another 60 of each license type by the end of 2021. License awards will likely be delayed due to the COVID-19 pandemic and legal actions taken by applicants. The IL Ag. Department recently closed an application period for craft growers, infusers and cannabis transporters.

The IL Act imposes several operational requirements on adult-use licensees and requires prospective licensees to demonstrate their plans to comply with such requirements. For example, applicants for dispensary licenses must include an employee training plan, a security plan, recordkeeping and inventory plans, a quality control plan and an operating plan.

Licensees must establish methods for identifying, recording, and reporting diversion, theft, or loss, correcting inventory errors, and complying with product recalls. Licensees also must comply with detailed inventory, storage,

and security requirements. Cultivation licenses are subject to similar operational requirements, such as complying with detailed security and storage requirements, and must also establish plans to address energy, water, and waste-management needs. Dispensary licenses will be renewed bi-annually, and cultivation licenses, craft grower licenses, infuser organization licenses, and transporter licenses will be renewed annually.

The IL Ag. Department is authorized to promulgate, and has promulgated, regulations for cultivators, craft growers, infuser organizations, and transporting organizations. The IDFPR is authorized to regulate dispensaries but has not yet issued adult-use regulations. Therefore, currently licensed adult-use retail operations are governed by the IL Act and adult-use retail applications submitted during the application window which closed on January 2, 2020 will be evaluated under and in accordance with the IL Act.

Illinois Licenses

Illinois licenses four types of cannabis businesses within the state: (1) cultivation; (2) processing; (3) transportation; and (4) dispensary. All cultivation, craft growers, infusers, and transporting establishments must register with the Illinois Department of Agriculture. All dispensaries must register with the IDFPR. If applications contain all required information, establishments are issued a cannabis establishment registration certificate. Registration certificates are valid for a period of one year and are subject to strict annual renewal requirements.

HealthCentral LLC has been issued a total of six dispensary licenses, two medical licenses and four adult use licenses. Revolution Cannabis-Barry LLC has been issued two cultivation licenses, one medical license and one adult use license. MOCA LLC is licensed to operate two dispensaries and has been issued a total of three dispensary licenses, one medical and two adult use licenses. On December 14, 2020, we entered into a definitive agreement to acquire Midway Dispensary. The transaction is conditioned on approval of the IDFPR prior to close.

The below table lists our Illinois licenses:

Entity	License Number	City	Expiration Date / Renewal Date	Description
Revolution Cannabis-Barry, LLC	1503060627	Barry	03/09/2022	Medical Cultivation License
Revolution Cannabis-Barry, LLC	1503060627 – EA	Barry	03/31/2022	Early Adult Use Cultivation License
HealthCentral, LLC	DISP.000022 / 11-0	Collinsville	01/07/2022	Medical License
HealthCentral, LLC	AUDO.000025	Collinsville	03/31/2021 *	Adult Use License
HealthCentral, LLC	DISP.000029 / 09-00	Adam St. / Springfield	02/03/2022	Medical License
HealthCentral, LLC	AUDO.000026	Adam St. / Springfield	3/31/2021 *	Adult Use License
HealthCentral, LLC	AUDO.000069	Horizon Dr. / Springfield	3/31/2021 *	Adult Use License
HealthCentral, LLC	AUDO.000104	Fairview Heights	03/31/2021 **	Adult Use License
Chicago Alternative Health Center, LLC	DISP. 43.002	Archer Ave. / Chicago	4/13/2021 *	Medical License
Chicago Alternative Health Center, LLC	AUDO.000032	Archer Ave. / Chicago	03/31/2022	Adult Use License
MOCA LLC	DISP.000028 / 48-00	Fullerton Ave/ Chicago	02/01/2022	Medical License
MOCA LLC	AUDO.000021	Fullerton Ave/ Chicago	03/31/2022	Adult Use License
MOCA LLC	AUDO.000052	Ohio St / Chicago	03/31/2022	Adult Use License

* Renewal in process.

** Adult use license issued March 17, 2021. Renewal in process, submitted March 19, 2021.

Illinois Storage and Security

Both our cultivation center and our dispensaries are required to store cannabis in restricted-access areas. Our dispensaries must store inventory on-site in a secured and restricted-access area and enter information into Illinois' tracking system as required by law and IDFPR rules. Any cannabis or cannabis products in an open or defective package, which have expired, or which the company otherwise has reason to believe have been opened or tampered with must be segregated in secure storage until promptly and properly disposed of.

Dispensaries are also required to implement security measures designed to deter and prevent unauthorized entry into the facility (and restricted-access areas) and theft, loss or diversion of cannabis or cannabis products. In this respect, dispensaries must maintain a commercial grade alarm and surveillance system installed by an Illinois licensed private alarm contractor or private alarm contractor agency. Dispensaries must also implement various security measures designed to protect the premises, customers and dispensing organization agents (employees).

Illinois Reporting Requirements

Illinois uses BioTrack THC as its track and trace ("**T&T**") system. All dispensing organization licensees are required to use a real-time, web-based inventory tracking/point-of-sale system that is accessible to IDFPR at any time, and at a minimum, tracks the date of sale, amount, price, and currency. We use BioTrack THC for inventory management and LeafLogix as a point-of-sale system. Licensees are also required to track each sales transaction at the time of the sale, daily beginning and ending inventory, acquisitions (including information about the supplier and the product) and disposal.

Illinois Transportation Requirements

Currently, licensed cultivation centers may transport cannabis and cannabis products in accordance with certain guidelines. For receiving products, dispensing organizations must receive a copy of the shipping manifest prepared by the cultivation center in advance of transport and is required to check the product delivered against such manifest at the time of delivery. All cannabis and cannabis products must be packaged in properly labeled and sealed containers. Dispensaries may not accept products that are mislabeled, products that have labels missing or when packaging is opened or tampered with.

U.S. Attorney Statements in Illinois

To the knowledge of management, other than as disclosed in this prospectus, there have not been any statements or guidance made by federal authorities or prosecutors regarding the risk of enforcement action in Illinois. See "*Risk Factors - U.S. State regulation of cannabis is uncertain*."

Massachusetts

Massachusetts Regulatory Landscape

The Massachusetts Medical Use of Marijuana Program (the "**MA Program**") was formed pursuant to the Act for the Humanitarian Medical Use of Marijuana (the "**MA ACT**"). The MA Program allows registered persons to purchase medical cannabis and applies to any patient, personal caregiver, Medical Marijuana Treatment Center (each, a "**MTC**"), and MTC agent that qualifies and registers under the MA Program. To qualify, patients must suffer from a debilitating condition as defined by the MA Program. Currently there are eight conditions that allow a patient to acquire cannabis in Massachusetts, including AIDS/HIV, ALS, cancer and Crohn's disease. As of May 31, 2019, approximately 59,000 patients have been registered to purchase medical cannabis products in Massachusetts. The MA Program is administrated by the Cannabis Control Commission of Massachusetts (the

"**CCC**"). According to the Cowen report, Charting Cannabis: A U.S. State Level Deep Dive, published February 19, 2020, there were 52 open dispensaries in Massachusetts as of the end of 2019.

In November 2016, Massachusetts voted affirmatively on a ballot petition to legalize and regulate cannabis for adult-use. The Massachusetts legislature amended the law on December 28, 2016, delaying the date adult-use cannabis sales would begin by six months. The delay allowed the legislature to clarify how municipal land-use regulations would treat the cultivation of cannabis and authorized a study of related issues. After further debate, the state House of Representatives and state Senate approved H.3818 which became Chapter 55 of the Acts of 2017, An Act to Ensure Safe Access to Marijuana, and established the CCC. The CCC consists of five commissioners and regulates both the Adult Use and Medical Use of Marijuana programs. Sales of adult-use cannabis in Massachusetts started in July 2018. Adult use cannabis in Massachusetts is regulated under M.G.L. ch. 94G and 935 CMR 500 et seq.

Under the MA Program, MTCs are heavily regulated. Vertically integrated MTCs grow, process, and dispense their own cannabis. As such, each MTC is required to have a retail facility as well as cultivation and processing operations, although retail operations may be separate from grow and cultivation operations. An MTC's cultivation location may be in a different municipality or county than its retail facility.

The MA Program mandates a comprehensive application process for MTCs. Each Registered Marijuana Dispensary (each, a "**RMD**") applicant must submit a Certificate of Good Standing, comprehensive financial statements, a character competency assessment, and employment and education histories of the senior partners and individuals responsible for the day-to-day security and operation of the MTC. Municipalities may individually determine what local permits or licenses are required if an MTC wishes to establish an operation within its boundaries.

Massachusetts Licenses

MassGrow LLC has been issued one cultivation and one provisional manufacturing processing license and Ascend Mass LLC has been issued one retail license and two provisional retail licenses.

The below table lists our Massachusetts licenses:

Entity	License Number	City	Expiration Date / Renewal Date	Description
MassGrow, LLC	MC281488	Athol	08/12/2021	Adult Use Cultivation License
MassGrow, LLC	MP281460	Athol	07/13/2021	Manufacturing Processing Provisional License
Ascend Mass, LLC	MR282077	Boston	01/15/2022	Adult Use License
Ascend Mass, LLC	MRN282837	Newton	06/05/2021	Adult Use Provisional License
Ascend Mass, LLC	MRN283075	New Bedford	08/07/2021	Adult Use Provisional License

Each Massachusetts dispensary, grower and processor license is valid for one year and must be renewed no later than 60 calendar days prior to expiration. As in other states where cannabis is legal, the CCC can deny licenses and renewals for multiple reasons, including (per 935 CMR 500.400) (1) failure to complete the application process within the required time period; (2) submission of deceptive, misleading, or fraudulent information, (3) an indication of an inability to maintain and operate a compliant cannabis establishment, (4) determination of unsuitability pursuant to, for example, certain criminal convictions, (5) failure to comply with cannabis license control limitations, (6) rejection of revocation of another cannabis license in Massachusetts or elsewhere; or (7) any other ground that serves the purposes of the law. Revocations can also be based on (per 935 CMR 500.450) (1) failure to

submit or implement a plan of correction; (2) attempting to assign ownership to another entity or making other significant changes without proper permission, (3) lack of responsible operation of a cannabis establishment, (4) maintaining a substandard level of compliance with applicable statutory and regulatory requirements, (5) financial insolvency; (6) failure to cooperate with law enforcement, (7) violation of the safety, health, or welfare of the public; or (8) committing, permitting, aiding, or abetting of any illegal practices in the operation of the cannabis establishment. Additionally, license holders must ensure that no cannabis is sold, delivered, or distributed by a producer from or to a location outside of the state.

Regulation of the Adult-Use Cannabis Market in Massachusetts

Adult-use cannabis has been legal in Massachusetts since December 15, 2016, following a ballot initiative in November of that year. The CCC, a regulatory body created in 2018, licenses adult-use cultivation, processing and dispensary facilities (collectively, "**Marijuana Establishments**" or "**MEs**") pursuant to 935 CMR 500.000 et seq. The first adult-use cannabis facilities in Massachusetts began operating in November 2018.

Massachusetts Licensing Requirements (Adult-Use)

Applicants must submit proof of being an entity registered to do business in Massachusetts, as well as a list of all people and entities having direct or indirect control of the business, documentation of any such people or entities' other business interests, details of the amounts and sources of capital resources, and documentation of a bond or escrow account. Furthermore, the applicant must provide a specific address for the location of the establishment, proof of a property interest in that address, documentation that the applicant has a "host community agreement" with the municipality, and documentation that the applicant has held at least one community outreach meeting. The applicant must also provide a description of plans to ensure that the cannabis establishment will be compliant with all applicable laws and regulations, and also a specific plan to positively impact areas of disproportionate impact (geographical locations in the state which have had historically high rates of arrest, conviction, and incarceration related to cannabis crimes). The application also requires payment of a fee.

All individuals identified as having direct or indirect control in the license must undergo an extensive background check that includes criminal, civil, and regulatory records; certain criminal convictions, civil actions, or regulatory infractions may trigger a finding of unsuitability

Each license applicant must submit detailed information about its business registration, certificates of good standing, and a plan to obtain liability insurance. The application must include a detailed business plan, a detailed summary of operating policies and procedures addressing issues like security, storage, prevention of diversion, transportation, inventory practices, recordkeeping, and a specific diversity plan demonstrating promotion of equity among people of color, women, veterans, persons with disabilities, and LGBTQ+ individuals. Such plans must have specific goals and measurable outcomes that will be monitored and updated through the entire existence of the cannabis establishment.

Pursuant to 935 CMR 500.050, no person or entity may own or have direct or indirect control over more than three licenses in each Marijuana Establishment category (i.e., cannabis retailer, cannabis cultivator, cannabis product manufacturer). Additionally, there is a 100,000 square foot cultivation canopy restriction for adult-use licenses.

Massachusetts Dispensary Requirements (Adult-Use)

Cannabis retailers may purchase, transport, sell, repackage, or otherwise transfer cannabis and cannabis products to consumers. On-site consumption is prohibited. All permitted cannabis-related activities must take place solely at the licensed address.

All cannabis establishment employees must receive at least eight hours of training annually. A total of four hours of training shall be from Responsible Vendor Training Program courses established under 935 CMR 500.105(2)(b). The remaining four hours may be conducted in-house by the cannabis establishment as on-the-job training.

All cannabis establishments must have written operating procedures addressing security measures, employee security policies, descriptions of operating hours and after-hours contact information, storage and waste disposal, product descriptions, price list, recordkeeping, quality control, staffing, emergency procedures, alcohol/smoke/drug-free workplace policies, confidential information handling, plans for immediate dismissal of employees who divert cannabis, engage in unsafe practices or are convicted of certain crimes, board of directors and members list, cash handling, prevention of diversion, energy efficiency, and workplace safety. Retail establishments must also have plans to check the identification of each customer both upon entering the store and again at the point of sale. No one under 21 is permitted to purchase cannabis or to be on the premises. Retail stores must ensure that customers purchase no more than one ounce of cannabis (or its equivalent in other forms) per day. Retailers also have the right to refuse sales to customers, for example, those that appear to be impaired by the influence of substances.

The retail point of sale system must be approved by both the CCC and the state Department of Revenue. It must be integrated with Metrc, the state's seed-to-sale tracking system. The system must also be audited on a monthly basis to ensure that no additional software has been installed that could alter sales data.

Cannabis retailers must have available extensive consumer education materials, including in languages other than English.

Massachusetts Security and Storage Requirements (Adult-Use)

Each Marijuana Establishment must implement sufficient safety measures to deter and prevent unauthorized entrance into areas containing cannabis and theft of cannabis at the establishment. Security measures taken by the establishments to protect the premises, employees, consumers and general public must include, but not be limited to, the following:

- positively identifying individuals seeking access to the premises of the Cannabis Establishment or to whom or cannabis products are being transported pursuant to 935 CMR 500.105(13) to limit access solely to individuals 21 years of age or older;
- adopting procedures to prevent loitering and ensure that only individuals engaging in activity expressly or by necessary implication permitted by the regulations and its enabling statute are allowed to remain on the premises;
- disposing of cannabis in accordance with 935 CMR 500.105(12) in excess of the quantity required for normal, efficient operation as established within 935 CMR 500.105;
- securing all entrances to the Marijuana Establishment to prevent unauthorized access;
- establishing limited access areas pursuant to 935 CMR 500.110(4), which shall be accessible only to specifically authorized personnel limited to include only the minimum number of employees essential for efficient operation;
- storing all finished cannabis products in a secure, locked safe or vault in such a manner as to prevent diversion, theft and loss;
- keeping all safes, vaults, and any other equipment or areas used for the production, cultivation, harvesting, processing or storage of cannabis products securely locked and protected from entry, except for the actual time required to remove or replace cannabis;
- keeping all locks and security equipment in good working order;
- prohibiting keys, if any, from being left in the locks or stored or placed in a location accessible to persons other than specifically authorized personnel;
- prohibiting accessibility of security measures, such as combination numbers, passwords or electronic or biometric security systems, to persons other than specifically authorized personnel;
- ensuring that the outside perimeter of the Marijuana Establishment is sufficiently lit to facilitate surveillance, where applicable;
- ensuring that all cannabis products are kept out of plain sight and are not visible from a public place without the use of binoculars, optical aids or aircraft;
- developing emergency policies and procedures for securing all product following any instance of diversion, theft or loss of cannabis, and conduct an assessment to determine whether additional safeguards are necessary;

- developing sufficient additional safeguards as required by the CCC for Marijuana Establishments that present special security concerns;
- establishing procedures for safe cash handling and cash transportation to financial institutions to prevent theft, loss and associated risks to the safety of employees, customers and the general public;
- sharing the establishment's floor layout with law enforcement and as required by the municipality to identify the use of any flammable or combustible solvents, chemicals, or other such materials in use; and
- sharing the Marijuana Establishment's security plan and procedures with law enforcement authorities and fire services and periodically updating law enforcement authorities and fire services if the plans or procedures are modified in a material way.

Cannabis must be stored in special limited access areas, and alarm systems must meet certain technical requirements, including a failure notification system, perimeter alarms on all entry and exit points, duress/panic alarms, and video surveillance in all areas where cannabis or cash is kept and at all points of entry and exit. The surveillance system must have the ability to record footage 24 hours a day and to retain such footage for at least 90 days. The systems must be angled so as to allow for the capture of clear identification of any person entering or existing the establishment and must be able to remain operational for a minimum of four hours in the event of a power outage. Regular audits are required every 30 days.

Massachusetts Transportation Requirements (Adult-Use)

Cannabis products may only be transported between licensed MEs by registered Marijuana Establishment agents. A licensed cannabis transporter may contract with a licensed Marijuana Establishment to transport that licensee's cannabis products to other licensed establishments. The originating and receiving licensed establishments shall ensure that all transported cannabis products are linked to METRC, Massachusetts' seed-to-sale tracking program. For the purposes of tracking, seeds and clones will be properly tracked and labeled in a form and manner determined by the CCC. Any cannabis product that is undeliverable or is refused by the destination Marijuana Establishment shall be transported back to the originating establishment. All vehicles transporting cannabis products shall be staffed with a minimum of two Marijuana Establishment agents. At least one agent shall remain with the vehicle at all times that the vehicle contains cannabis or cannabis products. Prior to the products leaving a Marijuana Establishment for the purpose of transporting cannabis products, the originating Marijuana Establishment must weigh, inventory, and account for, on video, all cannabis products to be transported. Within eight hours after arrival at the destination Marijuana Establishment, the destination establishment must re-weigh, re-inventory, and account for, on video, all cannabis products transported. When videotaping the weighing, inventorying, and accounting of cannabis products before transportation or after receipt, the video must show each product being weighed, the weight, and the manifest. Cannabis products must be packaged in sealed, labeled, and tamper or child-resistant packaging prior to and during transportation. In the case of an emergency stop during the transportation of cannabis products, a log must be maintained describing the reason for the stop, the duration, the location, and any activities of personnel exiting the vehicle. A Marijuana Establishment or a cannabis transporter transporting cannabis products is required to ensure that all transportation times and routes are randomized. An establishment or transporter transporting cannabis products shall ensure that all transport routes remain within Massachusetts. All vehicles and transportation equipment used in the transportation of cannabis products or edibles requiring temperature control for safety must be designed, maintained, and equipped as necessary to provide adequate temperature control to prevent the cannabis products or edibles from becoming unsafe during transportation, consistent with applicable requirements pursuant to 21 CFR 1.908(c).

Vehicles used for transport must be owned or leased by the Marijuana Establishment or transporter, and they must be properly registered, inspected, and insured in Massachusetts All vehicles must be equipped with a video system that includes at least one camera in the storage area and at least one camera in the driver area. All cameras must remain functional throughout the entire transportation process. All vehciles must also be equipped with an alarm system, and functioning heating and air conditioning. Cannabis may not be visible from outside the vehicle, and it must be transported in a secure, locked storage compartment. The vehicle may not have any external markings indicating that it is used to transport cannabis. Each vehicle must have a global positioning system, and any agent transporting cannabis must have access to a secure form of communication with the originating location. Firearms

are forbidden in side the vehicle or on the person of an agent. Each transport must have a manifest filled out in triplicate.

Massachusetts CCC Inspections

The CCC or its agents may inspect a Marijuana Establishment and affiliated vehicles at any time without prior notice in order to determine compliance with all applicable laws and regulations. All areas of a Marijuana Establishment, all Marijuana Establishment agents and activities, and all records are subject to such inspection. Marijuana establishments must immediately upon request make available to the CCC all information that may be relevant to a CCC inspection, or an investigation of any incident or complaint. A Marijuana Establishment must make all reasonable efforts to facilitate the CCC's inspection, or investigation of any incident or complaint, including the taking of samples, photographs, video or other recordings by the CCC or its agents, and to facilitate the CCC's interviews of Marijuana Establishment agents. During an inspection, the CCC may direct a Marijuana Establishment to test cannabis for contaminants as specified by the CCC, including but not limited to mold, mildew, heavy metals, plant-growth regulators, and the presence of pesticides not approved for use on cannabis by the Massachusetts Department of Agricultural Resources.

Moreover, the CCC is authorized to conduct a secret shopper program in retail establishments to ensure compliance with all applicable laws and regulations.

U.S. Attorney Statements in Massachusetts

On July 10, 2018, the U.S. Attorney for the District of Massachusetts, Andrew Lelling, issued a statement regarding the legalization of adult-use cannabis in Massachusetts. Mr. Lelling stated that since he has a constitutional obligation to enforce the laws passed by Congress, he would not immunize the residents of Massachusetts from federal law enforcement. He did state, however, that his office's resources would be primarily focused on combating the opioid epidemic. He stated that considering those factors and the experiences of other states that have legalized adult-use cannabis, his office's enforcement efforts would focus on the areas of (i) overproduction, (ii) targeted sales to minors, and (iii) organized crime and interstate transportation of drug proceeds.

To the knowledge of management, other than as disclosed in this prospectus, there have not been any statements or guidance made by federal authorities or prosecutors regarding the risk of enforcement action in Massachusetts. See "*Risk Factors - U.S. State regulation of cannabis is uncertain.*"

Michigan

Michigan Regulatory Landscape

In 2008, the Michigan Compassionate Care Initiative established a medical cannabis program for serious and terminally ill patients. This program, which was approved by the House but not acted upon and defaulted to a public initiative on the November ballot. Proposal 1 was approved by 63% of voters on November 8, 2008. Proposal 1 was then written into law and approved by Michigan's lawmakers in December 2008. The resulting Act became the Michigan Medical Marihuana Act ("**MMMA**"). The MMMA provides access to state residents to cannabis and cannabis related products under one of 11 debilitating conditions, including epilepsy, cancer, HIV/AIDS, cancer and post-traumatic stress disorder. In July 2018, the Medical Marihuana Facility Licensing Division approved 11 additional conditions to the list of aliments to qualify for medical cannabis. The additional 11 include chronic pain, colitis and spinal cord injury.

In 2016, the Michigan legislature passed two new acts and also amended the original MMMA. The first act, the Medical Marihuana Facilities Licensing Act ("**MMFLA**"), effective December 20, 2016 and amended effective January 1, 2019, establishes a licensing and regulation framework for medical cannabis growers, processors, secure transporters, provisioning centers, and safety compliance facilities. The second act establishes a "seed-to-sale" system to track cannabis that is grown, processed, transferred, stored, or disposed of under the MMFLA.

In November of 2018 Michigan voters, through another public ballot initiative approved the Michigan Regulation and Taxation of Marihuana Act ("**MRTMA**") legalizing and establishing a licensing and regulatory framework for adult-use growers, processors, secure transporters, retailers, microbusinesses, event organizers, designated consumption, and safety compliance establishments. The proposal was approved by nearly 56% of the voters. The state began taking applications for such on November, 1, 2019 and the first sales of adult-use marihuana took place on December 1, 2019. According to the Cowen report, Charting Cannabis: A U.S. State Level Deep Dive, published February 19, 2020, there were 125 open dispensaries in Michigan as of the end of 2019.

The Marihuana Regulatory Agency ("**MRA**") is a separate bureau within the Michigan Department of Licensing and Regulatory Affairs and is responsible for the oversight of cannabis in Michigan. The MRA consists of the Medical and Adult Marihuana Licensing, Compliance, Legal and Enforcement Divisions and the Michigan Medical Marihuana Program Division. The MRA is responsible for issuing cards to medical cannabis patients, and oversight and licensing of medical facilities and adult-use establishments.

The MRA and State of Michigan are attempting to combine the medical and adult-use markets. On June 22, 2020 Final Administrative rules covering both the MMFLA and MRTMA were filed with the Michigan Secretary of State. Draft bills combining the MMFLA and MRTMA drafted by the Legislative Service Bureau Legal Division were circulated during the 2019-2020 legislative session, but did not receive a vote in the both legislative bodies.

Under both the MMFLA and MRTMA Michigan municipalities can choose if they will allow cannabis establishments or facilities, and the type and number of establishments or facilities within their jurisdiction. This includes licensing and zoning ordinances for many municipalities. Because each municipality is able to devise a unique set of rules for cannabis licenses, each facility or establishment in a different Michigan municipality may be subject to a different set of local ordinances.

Michigan Licenses

The below table lists our Michigan licenses:

Entity	License Number	City	Expiration Date / Renewal Date	Description
FPAW Michigan, LLC	AU-RA-000286	Ann Arbor	11/27/2021	Adult Use License
FPAW Michigan, LLC	PC-000391	Battle Creek	07/29/2021	Medical Use License
FPAW Michigan, LLC	AU-RA-000234	Battle Creek	11/27/2021	Adult Use License
FPAW Michigan, LLC	PC-000390	Detroit	07/29/2021	Medical Use License
FPAW Michigan, LLC	PC-000318	Morenci	07/29/2021	Medical Use License
FPAW Michigan, LLC	AU-R-000125	Morenci	11/27/2021	Adult Use License
FPAW Michigan, LLC	PR-000171	Lansing	07/29/2021	Cultivation Facility Processor
FPAW Michigan, LLC	AU-P-000145	Lansing	11/27/2021	Cultivation Marijuana Processor License

Michigan Storage and Security Requirements

Michigan establishments must meet the security requirements as set forth in the MRTMA, MMFLA and Administrative Rules. As such, establishments are required to include a security plan in their state license applications. The plan and required security measures include, but are not limited to, ensuring that visitors are escorted by an employee at all times; maintaining commercial locks or electronic access on all doors and windows; having an alarm system at the establishment; having a video surveillance system that records all areas where marihuana products are weighed, packed, stored, loaded, and unloaded for transportation, prepared, or moved; recording the access point to the surveillance system; recording the exterior and interior of entrances and exits;

recording all areas within 20 feet of exits of the establishment; recording in 720p resolution or higher; ensuring sufficient lighting for recording; maintaining recordings for at least 30 days and a log of all those with access to the surveillance system. General requirements for all cannabis business can be found in Michigan Administrative Rule 420.206.

Michigan Transportation Requirements

Transportation of cannabis to establishments takes place via State licensed secure transporters. Transported products are entered into a manifest and the Michigan T&T system. Products are picked up from cultivators and processors by secure transporters and then delivered to destinations. For adult use products licensed transporters may also transfer products between our retail locations. A transporter must transport all cannabis products in a locked, secured, and sealed container that is not accessible while in transit. The container must be secured by a locked closed lid or door. Cannabis product must be labeled and kept in separate compartments or containers within the main locked, secured, and sealed container. If the transporter transports money associated with the purchase or sale of cannabis product between businesses, the transporter shall lock the money in a sealed container kept separate from the cannabis product and only accessible to the licensee and its employees. A transporter cannot maintain custody of the cannabis product for more than 96 hours without permission from the MRA.

Michigan Reporting Requirements

Michigan establishments must maintain on-site, or have electronic access to, all records of the establishment. Records are defined as books, ledgers, documents, writings, photocopies, correspondence, electronic storage media, electronically stored records, money receptacles, equipment in which records are stored, including data or information in the statewide monitoring system, or any other document that is used for recording information. Additionally, establishments must provide the state with an audited annual financial report every year. This report must be conducted by an independent certified public accountant and includes information including but not limited to: sampling of all transaction done by the organization over the course of the year; employees and employment; bank accounts; management, revenues, METRC transactions, vendors, taxes, ownership and distributions, outsourcing, licensing agreements, and independent contractors. Additionally, licensees must report any change to operations, officers, owners, members, managers, applicants; changes in processing machinery or equipment, violations or local ordinances, changes in named applicant; changes in names; conveyances of interest in a license; modifications to businesses or business plans between inspections or submissions; changes in capacities; changes to ingress or egress; adverse reactions to marihuana products; criminal convictions, charges, civil judgements, lawsuits, legal proceedings, charges, or governmental investigations; employee discipline for misconduct related to product sales or transfers; diversion; theft; and any suspected criminal activity on the premises. The above issues, depending on the type, must be reported either before the change, within 24 hours thereof or within 10 days of notice thereof.

Michigan Site-Visits and Inspections

The MRA or its agents may inspect an establishment at any time without prior notice in order to determine compliance with all applicable laws and regulations. All areas of an establishment, all establishment agents and activities, and all records are subject to such inspection. Establishments must immediately upon request make available to the MRA all information that may be relevant to a MRA inspection, or an investigation of any incident or complaint.

MRA agents conduct initial inspections, an inspection within 30 days of operation, and then bi-annual inspections thereafter. The Michigan Bureau of Fire Services also conducts initial and bi-annual inspections of establishments.

U.S. Attorney Statements in Michigan

On November 8, 2018, United States Attorneys Matthew Schneider and Andrew Birge for the Eastern and Western Districts of Michigan, respectively, issued a joint statement regarding the legalization of adult-use cannabis in Michigan. They stated that since they had taken oaths to protect and defend the Constitution and the laws of

the United States, they would not immunize the residents of Michigan from federal law enforcement. They stated that they would continue to the investigation and prosecution of cannabis crimes as they do with any other crime. They stated they would consider the federal law enforcement priorities set by the DOJ, the seriousness of the crime, the deterrent effect of prosecution, and the cumulative impact of the crime on a community, while also considering their ability to prosecute with limited resources. They stated that combating illegal drugs was just one of many priorities, and that even within the area of drugs, they were focused on combating the opioid epidemic. They stated that they have not focused on prosecution of low-level offenders, which they stated would not change (unless aggravating factors were present). They did state that certain crimes involving cannabis could pose serious risks and harm to a community, including interstate trafficking, involvement of other illegal drugs or activity, persons with criminal records, presence of firearms or violence, criminal enterprises, gangs and cartels, bypassing local laws and regulations, potential for environmental contamination, risks to minors, and cultivation on federal property.

To the knowledge of management, other than as disclosed in this prospectus, there have not been any statements or guidance made by federal authorities or prosecutors regarding the risk of enforcement action in Michigan. See "*Risk Factors - U.S. State regulation of cannabis is uncertain.*"

New Jersey

New Jersey Regulatory Landscape

New Jersey's medical cannabis program was introduced in January 2010 when then Governor Corzine signed the New Jersey Compassionate Use Medical Marijuana Act into law which legalized medical cannabis for patients with certain enumerated qualifying conditions. Medical cannabis sales began in December 2012 and as of the first quarter of 2021, there were 10 licensed and operational ATCs dispensing medical cannabis to patients. However, the state has accepted applications for satellite dispensaries for those operators, and we expect additional locations to open by the end of calendar year 2021. According to the Cowen report, Charting Cannabis: A U.S. State Level Deep Dive, published February 19, 2020, there were six open medical dispensaries in New Jersey as of the end of 2019.

In March 2018, under the direction of Governor Phil Murphy, who campaigned on a platform that included cannabis legalization, the New Jersey Department of Health ("**NJ DOH**") issued the Executive Order 6 Report, which immediately expanded the medical cannabis program in numerous ways including adding chronic pain and anxiety as qualifying conditions, doubling the monthly product limit, and permitting current licensees to open satellite dispensaries. In August 2018, the NJ DOH began accepting applications for the licensing of six additional ATCs, and those licenses were awarded in December 2018. In August 2019, the NJ DOH accepted applications for the licensing of 24 additional ATCs, divvied among three regions (northern, central, southern) and three forms of endorsements (cultivation, dispensary, vertically integrated).

ATC licenses are awarded by a selection committee that evaluates applicants on the following general criteria: (1) submittal of mandatory organizational information; (2) ability to meet the overall health needs of qualified patients and safety of the public; (3) history of compliance with regulations and policies governing government-regulated cannabis programs; (4) ability and experience of applicant in ensuring an adequate supply of cannabis; (5) community support and participation; (6) ability to provide appropriate research data; (7) experience in cultivating, manufacturing, or dispensing cannabis in compliance with government-regulated cannabis programs; and (8) workforce and job creation plan. Information required to be submitted is wide-ranging, and includes identification information and background checks of principals, employees, directors, and other stakeholders, and evidence of compliance with certain state and local laws and ordinances.

ATCs are subject to a detailed regulatory scheme encompassing security, staffing, point-of-sale systems, manufacturing standards, hours of operation, delivery, advertising and marketing, product labeling, records and reporting, and more. As with all jurisdictions, the full regulations (N.J.A.C. 8:64 et seq.) should be consulted for further information about any particular operational area. For example (and not by limitation), ATCs are subject to a number of regulations regarding their policies, procedures, records, and reporting. For example, ATCs must develop oversight procedures; procedures to ensure safe growing and dispensing operations; security policies; inventory

protocols; disaster plans; pricing standards; and crime prevention plans and must maintain careful records, including organizational charts; facility documents; supply-and-demand projections; general business records; detailed sales records; and detailed personnel and training records. ATCs must provide substantial training for their employees and must maintain an alcohol and drug-free workplace.

Licenses are renewed annually, and applications therefore must be submitted 60-days prior to expiration of the license then in force and effect. Provided that the requisite renewal fees are paid, the renewal application is submitted in a timely manner, and there are no material violations associated with the license, license holders can expect to receive a renewal in the ordinary course of business.

On November 3, 2020, voters in New Jersey approved an amendment to the state's constitution to legalize cannabis for adult use in New Jersey. On February 22, 2021, New Jersey Governor Phil Murphy signed into law three bills which, taken together, give effect to the amendment and decriminalize small amounts of cannabis possession in New Jersey. The cultivation, processing and sale of cannabis for adult use purposes will remain prohibited until the new Cannabis Regulatory Commission establishes the regulatory framework for adult use cannabis.

New Jersey Licenses

Ascend New Jersey, LLC is permitted to open three dispensaries and one cultivation under its ATC license. Ascend New Jersey, LLC is an indirect subsidiary of the Company.

The below table lists our New Jersey licenses:

Entity	License Number	City	Expiration Date / Renewal Date	Description
Ascend New Jersey, LLC	9292020	Franklin	12/31/2021	Cultivation License
Ascend New Jersey, LLC	9292020	Montclair	12/31/2021	Medical License

New Jersey Storage and Security Requirements

All ATCs are required to provide effective controls and procedures to guard against theft and diversion of cannabis including, when appropriate, systems to protect against electronic records tampering. With respect to security and inventory protocols, ATCs are required to maintain security and alarm systems in good working order; test and inspect such security systems; employ policies to limit unauthorized access to areas containing cannabis; adopt security protocols to protect personnel; minimize exterior access and ensure the exterior of the facility has adequate lighting; and notify the proper authorities of reportable losses, security breaches, alarm activations, and electrical failures.

Further, all ATCs must install, maintain in good working order and operate a safety and security alarm system at its authorized physical address(es) that will provide suitable protection 24 hours a day, seven days a week against theft and diversion and that provides, at a minimum: (i) immediate automatic or electronic notification to alert state or local police agencies to an unauthorized breach of security at the ATC; and (ii) a backup system that activates immediately and automatically upon a loss of electrical support and that immediately issues either automatically or electronic notification to state or local police agencies of the loss of electrical support. ATCs must also implement appropriate security and safety measures to deter and prevent the unauthorized entrance into areas containing cannabis and the theft of cannabis and security measures that protect the premises, registered qualifying patients, registered primary caregivers and principal officers, directors, board members and employees of the ATC. Each ATC must establish a protocol for testing and maintenance of the security alarm system and conduct maintenance inspections and tests of the security alarm system at the ATC's authorized location at intervals not to exceed 30 days from the previous inspection and test, and it must promptly implement all necessary repairs to ensure the proper operation of the alarm system. In the event of a failure of the security alarm system due to a loss of electrical support or mechanical malfunction that is expected to last longer than eight hours, an ATC must notify NJ DOH and either

provide alternative security measures or close the affected facilities until service is restored. Finally, each ATC must equip its interior and exterior premises with electronic monitoring, video cameras, and panic buttons.

New Jersey Reporting Requirements

The reporting requirements for ATCs are governed by N.J.A.C. 8:64-4.3. The State of New Jersey allows ATCs to choose their method of electronic verification and a T&T system. In the course of operations, ATCs are required to conduct detailed monthly inventories and an annual comprehensive inventory. ATCs must retain records for at least two years.

New Jersey Site-Visits & Inspections

ATCs are subject to inspection by NJ DOH at any time, with or without notice. ATCs must provide immediate access to all facilities, materials, and information requested by NJ DOH. Failure to cooperate with an onsite assessment and or to provide access to the premises or information may be grounds to revoke the permit of the ATC and to refer the matter to state law enforcement agencies. If a problem is discovered, the ATC must notify NJ DOH in writing, with a postmark date that is within 20 business days of the date of the notice of violations, of the corrective actions the ATC has taken to correct the violations and the date of implementation of the corrective actions. Additionally, the NJ DOH is continually monitoring the operations of the ATC through our security and surveillance systems. The NJ DOH has the ability to access our surveillance system at any time and therefore may conduct a visual inspection of the premises at any time.

New Jersey Transportation Requirements

An ATC that is authorized by permit to cultivate medical cannabis at one location and to dispense it at a second location shall transport only usable cannabis from the cultivation site to the dispensing site according to a delivery plan submitted to the NJ DOH. Each vehicle must be staffed with at least two registered ATC employees. At least one delivery team member shall remain with the vehicle at all times that the vehicle contains medical cannabis. Each delivery team member shall have access to a secure form of communication with the ATC, such as a cellular telephone, at all times that the vehicle contains medical cannabis. Each delivery team member must possess their ATC employee identification card at all times and shall produce it to NJ DOH staff or law enforcement officials upon demand.

Each transport vehicle needs to be equipped with a secure lockbox or locking cargo area, which shall be used for the sanitary and secure transport of medical cannabis. Each ATC must maintain current commercial automobile liability insurance on each vehicle used for transport of medical cannabis in the amount of $1 million per incident. Each ATC must ensure that vehicles used to transport medical cannabis bear no markings that would either identify or indicate that the vehicle is used to transport medical cannabis, and each trip must be completed in a timely and efficient manner, without intervening stops or delays. Each ATC shall maintain a record of each transport of medical cannabis in a transport logbook, which must include dates and times of trips, names of employees on the delivery team, relevant facts about the products transported and the signatures of the delivery team.

ATCs must report any vehicle accidents, diversions, losses, or other reportable events that occur during transport to the permitting authority in accordance with New Jersey law.

Home delivery is not permitted under New Jersey law. An ATC may not deliver cannabis to the home or residence of a registered qualifying patient or primary caregiver.

U.S. Attorney Statements in New Jersey

To the knowledge of management, other than as disclosed in this prospectus, there have not been any statements or guidance made by federal authorities or prosecutors regarding the risk of enforcement action in New Jersey. See “*Risk Factors - U.S. State regulation of cannabis is uncertain.”*

Ohio

Ohio Regulatory Landscape

Effective September 8, 2016, House Bill 523 legalized the use of medical cannabis for 26 debilitating conditions as prescribed by a licensed physician. The Ohio Medical Marijuana Control Program ("**OMMCP**") allows people with certain medical conditions, including Alzheimer's disease, HIV/AIDS, ALS, cancer, traumatic brain injury, chronic pain, post-traumatic stress disorder and cachexia, to purchase medical cannabis. Though Ohio was required to implement a fully operational OMMCP by September 8, 2018 with a controlled system for cultivation, laboratory testing, physician/patient registration and dispensing, the timeline was delayed until November 2018. Regulatory oversight is shared between three offices; (a) the Ohio Department of Commerce with respect to overseeing cultivators, processors and testing laboratories; (b) the Ohio Board of Pharmacy with respect to overseeing retail dispensaries and the registration of patients and caregivers, and (c) the State Medical Board of Ohio with respect to certifying physicians to recommend medical cannabis. The OMMCP will permit limited product types including oils, tinctures, plant materials and edibles. Adult-use and the smoking of cannabis flower are prohibited. As of January 31, 2021, there were approximately 169,000 registered patients allowed to purchase cannabis products from a dispensary. According to the Cowen report, Charting Cannabis: A U.S. State Level Deep Dive, published February 19, 2020, there were 24 open dispensaries in Ohio as of the end of 2019.

Ohio Licenses

To be considered for approval of a provisional dispensary, cultivation or a processing license, the applicant must complete all mandated requirements. To obtain a certificate of operation for a medical cannabis dispensary, cultivation facility or processing facility, the prospective licensee must be capable of operating in accordance with Chapter 3796 of the Revised Code, the Medical Marijuana Control Program. Dispensary certificates of operation carry two-year terms, while certificates of operation for cultivators and processors must be renewed annually.

A certificate of operation will expire on the date identified on the certificate. A licensee will receive written or electronic notice 90 days before the expiration of its certificate of operation. The licensee must submit the renewal information at least 45 days prior to the date the existing certificate expires. The information required for the license renewal includes, but is not limited to, the following: (a) a roster that includes the dispensary's employees' names, (b) the history of compliance with regulations, and (c) the number and severity of any violations. If a licensee's renewal application is not filed prior to the expiration date of the certificate of operation, the certificate of operation will be suspended for a maximum of 30 days. After 30 days, if the dispensary has not successfully renewed the certificate of operation, including the payment of all applicable fees, the certificate of operations will be deemed expired.

BCCO, LLC holds a license to open one dispensary. Marichron Pharma, LLC holds a processing license. Hemma, LLC holds a license to open a cultivation facility. The closing of the transactions with BCCO, LLC and Hemma, LLC have been submitted to regulators for approval. We have entered into an agreement with Marichron Pharma, LLC and intend to submit the transaction for state approval once we are permitted to under state regulations, which we anticipate will be in the third quarter of 2021.

The below table lists the licenses held by our contractual parties hold in Ohio:

Entity	License Number	City	Expiration Date / Renewal Date	Description
BCCO, LLC	MMD.0700028	Carroll	12/4/2020*	Medical – Dispensary
Hemma, LLC	MMCPC0014	Monroe	09/10/2021	Medical Cultivation
Marichron Pharma, LLC	MMCPP00125	Monroe	01/17/2021*	Medical Processing

* Ohio Department of Commerce has extended the expiration date to 07/01/2021 due to COVID-19.

Ohio Storage Requirements

Ohio has selected METRC as the T&T system. Individual licensees, whether directly or through third-party APIs, are required to push data to the state to meet all reporting requirements. A holder of a processing or cultivation license must track and submit through the inventory tracking system any information the Ohio Department of Commerce determines necessary for maintaining and tracking medical cannabis extracts and products.

A holder of a cultivation license must conduct a weekly inventory of medical cannabis which includes (a) date of inventory; (b) amount of medical cannabis on hand; (c) total count of plants, whether in the flowering, vegetative, or clone phase of growth and organized by room in which the plants are being grown; (d) amount of medical cannabis sold since previous weekly inventory; (e) date, quantity, and method of disposal of medical cannabis; (f) summary of the inventory findings; and (g) name, signature, and title of the employees who conducted the inventory and oversaw the inventory. On an annual basis and as a condition for renewal of a cultivation license, a holder of a cultivation license must conduct a physical, manual inventory of the medical cannabis on hand at the cultivation facility and compare the findings to an annual inventory report generated using the inventory tracking system.

A holder of a processing license must conduct weekly inventory of medical cannabis which includes (a) the date of the inventory, (b) net weight of plant material and the net weight and volume of medical cannabis extract, (c) net weight and unit count of medical cannabis products prepared or packaged for sale to a dispensary, (d) the amount of medical cannabis and medical cannabis products sold since previous weekly inventory; (e) the date, quantity, and method of disposal of any plant material, medical cannabis extract, and medical cannabis products; (f) a summary of the inventory findings; and (g) name, signature and employees who conducted the inventory and oversaw the inventory. On an annual basis and as a condition for renewal of a processing license, a holder of a processing license shall conduct a physical, manual inventory of plant material, medical cannabis extract, and medical cannabis products on hand at the processor and compare the findings to an annual inventory report generated using the inventory tracking system. A holder of a processing license must store plant material, medical cannabis extract, and medical cannabis product inventory on the premises in a designated, enclosed, locked area and accessible only by authorized individuals.

A holder of a dispensary license must use the METRC T&T system to push data to the Ohio Board of Pharmacy on a real-time basis. The following data must be transmitted (a) each transaction and each day’s beginning inventory, acquisitions, sales, disposal and ending inventory, (b) acquisitions of medical cannabis from a licensed processor or cultivator holding a plant-only processor designation, (c) name and license number of the licensed dispensary employee receiving the medical cannabis and, (d) other information deemed appropriate by the Ohio State Board of Pharmacy. A dispensary’s designated representative shall conduct the inventory at least once a week. Records of each day’s beginning inventory, acquisitions, sales, disposal and ending inventory shall be kept for a period of three years.

The dispensary licensee must restrict access areas and keep stock of medical cannabis in secured area enclosed by a physical barrier with suitable locks and an alarm system capable of detecting entry at a time when licensed dispensary employees are not present. Medical cannabis must be stored at appropriate temperatures and under appropriate conditions to help ensure that its identity, strength, quality and purity are not adversely affected.

Ohio Security Requirements

All licensees must have a security system that remains operational at all times and that uses commercial grade equipment to prevent and detect diversion, theft or loss of medical cannabis, including (a) a perimeter alarm, (b) motion detectors, and (c) duress and panic alarms. All licensees must also employ a holdup alarm, which means a silent alarm signal generated by the manual activation of a device intended to signal a robbery in progress. Processing and cultivation facilities are also required to have secondary alarm systems installed and monitored by a vendor that differs from the primary alarm system.

Video cameras at a dispensary must be positioned at each point of egress and each point of sale. The cameras must capture the sale, the individuals and the computer monitors used for the sale, approved safes, approved vaults

and any area where cannabis is stored, handled or destroyed. Video surveillance recording must operate 24 hours a day, seven days a week. Recording from all video cameras during hours of operation must be made available for immediate viewing by the Ohio State Board of Pharmacy upon request and must be retained for at least six months.

Video cameras at a processing or cultivation facility must be directed at all approved safes, approved vaults, and any other area where plant material, medical cannabis extract, or medical cannabis products are being processed, stored, handled or destroyed. Video surveillance must take place 24 hours a day, seven days a week. Recordings from all video cameras during hours of operation must be readily available for immediate viewing by the Ohio regulatory bodies upon request and must be retained for at least six months. Video recording must be maintained for at least a 45-day period. Video recording must be maintained beyond the 45-day period when the cultivator or processor becomes aware of a pending criminal, civil or administrative investigation or legal proceeding for which a recording may contain relevant information. The cultivator or processor must retain an unaltered copy of the recording until the investigation or proceeding is closed or the entity conducting the investigation or proceeding is closed or the entity conducting the investigation or proceeding notifies the cultivator or processor that it is no longer necessary to retain the recording.

Ohio Reporting Requirements

A holder of a processing license must maintain the following records: (a) samples sent for testing, (b) disposal of products, (c) tracking of inventory, (d) form and types of medical cannabis maintained at the processing facility on a daily basis, (e) production records, including extraction, refining, manufacturing, packaging and labeling, (f) financial records, (g) employee records and (h) purchase invoices, bills of lading, manifests, sales records, copies of bills of sale, and any supporting documents, including the items and/or services purchased, from whom the items were purchased, and the date of purchase. Records must be maintained for five years.

A holder of a cultivation license must maintain the following records: (a) forms and types of medical cannabis maintained at the cultivator on a daily basis; (b) soil amendment, fertilizers, pesticides, or other chemicals applied to the growing medium or plants or used in the process of growing medical cannabis; (c) production records, including planting, harvesting and curing, weighing, and packaging and labeling; (d) financial records; (e) employee records; and (f) purchase invoices, bills of lading, manifests, sales records, copies of bills of sale, and any supporting documents, including the items and/or services purchased, from whom the items were purchased, and the date of purchase. Records will be maintained for 5 years.

A holder of a dispensary license must maintain the following records (a) confidential storage and retrieval of patient information or other medical cannabis records, (b) records of all medical cannabis received, dispensed, sold, destroyed, or used, (c) dispensary operating procedures, (d) a third-party vendor list, (e) monetary transactions, and (f) journals and ledgers. All records relating to the purchase or return, dispensing, distribution, destruction, and sale of medical cannabis must be maintained under appropriate supervision and control to restrict unauthorized access on the licensed premises for a five-year period.

Ohio Transportation Requirements

Medical cannabis entities must maintain a transportation log in METRC containing the names and addresses of the medical cannabis entities sending and receiving the shipment, names and registration numbers of the registered employees transporting the medical cannabis or the products containing medical cannabis, the license plate number and vehicle type that will transport the shipment, the time of departure and estimated time of arrival, the specific delivery route, which includes street names and distances; and the total weight of the shipment and a description of each individual package that is part of the shipment, and the total number of individual packages. Copies of the log described above must be transmitted to the recipient and to the Ohio Department of Commerce through METRC before 11:59 p.m. on the day prior to the trip.

Vehicles transporting medical cannabis or cannabis products must be insured as required by law, store the products in locked compartments, ensure that the products are not visible from outside the vehicle, be staffed

with two employees registered with the department (with one remaining with the vehicle at all times) and have access to the 911 emergency system. Vehicles must not be marked with any marks or logos.

Trips must be direct, other than to refuel the vehicle. Drivers must have their employee identification cards on their person at all times and must ensure that delivery times and routes are randomized. A copy of the transportation log must be carried during the trip.

Ohio Inspections Requirements

The submission of an application that results in the issuance of a provisional license or certificate of operation for a cultivator irrevocably gives the Ohio Department of Commerce consent to conduct all inspections necessary to ensure compliance with the cultivator's application, state and local law and regulators. An inspector conducting an inspection pursuant to this rule shall be accompanied by a "type 1" key employee during the inspection. The inspector may review and make copies of records, enter any area of a facility, inspect vehicles, equipment, premises, and question employees, among other actions. Dispensaries are not permitted to deliver cannabis products to the homes of patients or their designated caregivers.

Dispensaries in Ohio are subject to random and unannounced dispensary inspections and medical cannabis testing by the Ohio Board of Pharmacy. The Ohio Board of Pharmacy and its representatives may enter facilities and vehicles where medical cannabis is held and conduct inspections in a reasonable manner each place and all pertinent equipment, containers and materials and data. The Ohio Board of Pharmacy may also obtain any medical cannabis or related products from such facility.

U.S. Attorney Statements in Ohio

To the knowledge of management, other than as disclosed in this prospectus, there have not been any statements or guidance made by federal authorities or prosecutors regarding the risk of enforcement action in Ohio. See "*Risk Factors - U.S. State regulation of cannabis is uncertain.*"

New York

New York Regulatory Landscape

In July 2014, the New York Legislature and Governor enacted the Compassionate Care Act (the "**CCA**") to provide a comprehensive, safe and effective medical cannabis program. The CCA provides access to the program to certified patients who suffer from one of 14 qualifying serious conditions including, debilitating or life-threatening conditions including cancer, HIV/AIDS, ALS and chronic pain. Certified patients must also have one of the following associated or complicating conditions: cachexia or wasting syndrome, severe or chronic pain, severe nausea, seizures, or severe or persistent muscle spasms, post-traumatic stress disorder, or opioid use disorder (if enrolled in a treatment program pursuant to Article 32 of the Mental Hygiene Law).

Pursuant to the CCA, only a limited number of product offerings are allowed including metered liquid or oil preparations, solid and semi-solid preparations (e.g. capsules, chewable and effervescent tablets), metered ground plant preparations, and topical forms and transdermal patches. Smoking medical cannabis is not allowed. Medical cannabis may not be incorporated into the food products unless approved by the Commissioner of Health and smoking of cannabis flower is prohibited. According to the Cowen report, Charting Cannabis: A U.S. State Level Deep Dive, published February 19, 2020, there were 35 open dispensaries in New York as of the end of 2019.

New York Licenses

The New York Department of Health ("**NYDOH**") approves entities to operate as "registered organizations" under the CCA. There are currently ten registered organizations. Each registered organization is vertically integrated and can operate one cultivation/processing facility and up to four dispensaries.

As described above, on February 25, 2021, we entered into the Investment Agreement with MedMen, under which we will, subject to regulatory approval, complete the Investment of approximately $73 million in MMNY, a registered organization in New York. MMNY holds a cultivation and four dispensary licenses.

The below table lists the New York licenses held by MMNY:

Entity	License Number	City	Expiration Date / Renewal Date	Description
MedMen NY, Inc.	MM0506D	Williamsville	07/31/2021	Dispensary
MedMen NY, Inc.	MM0502D	Lake Success	07/31/2021	Dispensary
MedMen NY, Inc.	MM0503D	New York	07/31/2021	Dispensary
MedMen NY, Inc.	MM0504D	Syracuse	07/31/2021	Dispensary
MedMen NY, Inc.	MM0501M	Utica	07/31/2021	Manufacturing

Licenses under New York's medical cannabis program are valid for two years from the date of issuance and registered organizations are required to submit a renewal application not more than six months nor less than four months prior to expiration. Registered organizations must ensure that no medical cannabis product is sold, delivered, transported or distributed by a producer from or to a location outside of New York.

New York Record-Keeping/Reporting

The NYDOH uses the BioTrack THC T&T system to track medical cannabis activity. Each month, each registered organization is required to file reports with the NYDOH which provides information showing all medical cannabis products dispensed during the month. All other data shall be pulled from the T&T system. The data must include (a) documentation, including lot numbers where applicable, of all materials used in the manufacturing of the approved medical cannabis product to allow tracking of the materials including but not limited to soil, soil amendment, nutrients, hydroponic materials, fertilizers, growth promoters, pesticides, fungicides, and herbicides, (b) cultivation, manufacturing, packaging and labeling production records, and (c) laboratory testing results. The records are required to be maintained for a period of five years.

New York Inventory/Storage Requirements

A record of all approved medical cannabis products that have been dispensed must be filed with the NYDOH electronically through BioTrack THC no later than 24 hours after the medical cannabis product was dispensed to the certified patient or designated caregiver. The information filed must include (a) a serial number for each approved medical cannabis product dispensed to the certified patient or designated caregiver, (b) an identification number for the registered organization's dispensing facility, (c) the patient's name, date of birth and sex, (d) the patient's address, including street, city, state and zip code, (e) the patient's registry identification card number, (f) if applicable, the designated caregiver's name and registry identification number, (g) the date the approved medical cannabis was filled by the dispensing facility, (h) the medical cannabis product drug code number, (i) the number of days of supply dispensed, (j) the registered practitioner's Drug Enforcement Administration number, (k) the date the written certification was issued by the registered practitioner, and (l) the payment method.

All cannabis must be stored in a secure area or location within the registered organization accessible only to a minimum number of employees essential for efficient operation and in such a manner as approved by the NYDOH in advance, to prevent diversion, theft or loss and against physical, chemical and microbial contamination and deterioration. Cannabis must be returned to its secure location immediately after completion of manufacture, distribution, transfer or analysis.

New York Security Requirements

All facilities operated by a registered organization, including any manufacturing facility and dispensing facility, must have a security system to prevent and detect diversion, theft or loss of cannabis and/or medical cannabis products, utilizing commercial grade equipment which includes, at a minimum (a) a perimeter alarm, (b) motion detectors, (c) video cameras in all areas that may contain cannabis and at all points of entry and exit, (d) a duress alarm, (e) a panic alarm, (f) a holdup alarm, (g) an automatic voice dialer, (h) a failure notification system, and (i) the ability to remain operational during a power outage.

The manufacturing and dispensing facilities' cameras must have the ability to product a clear color still photo that is a minimum of 9600 dpi from any camera image and must be directed at all approved safes, approved vaults, dispensing areas, cannabis sales areas and any other area where cannabis is manufactured, stored, handled, dispensed or disposed of. The manufacturing and dispensing facilities must angle the cameras to allow for the capture of clear and certain identification of any person entering or exiting the facilities. The surveillance cameras must record 24 hours a day, seven days a week. Recordings from all video cameras must include a date and time stamp embedded on all recordings and must be readily available for immediate viewing by a state authorized representative upon request and must be retained for at least 90 days. A registered organization must test the security and surveillance equipment no less than semi-annually at each manufacturing and dispensing facility that is operated under the registered organization's registration. Records of security tests must be maintained for five years and be made available for inspection by the NYDOH.

New York Transportation Requirements

Prior to transporting any medical cannabis, a registered organization must complete a shipping manifest using a form determined by NYDOH. A copy of the shipping manifest must be transmitted to the destination that will receive the products and to NYDOH at least two business days prior to transport unless otherwise expressly approved NYDOH. The registered organization shall maintain all shipping manifests and make them available to the department for inspection upon request, for a period of 5 years.

Approved medical cannabis products must be transported in a locked storage compartment that is part of the vehicle transporting the cannabis and in a storage compartment that is not visible from outside the vehicle. An employee of a registered organization, when transporting approved medical cannabis products must (a) travel directly to his or her destination(s) and may not make any unnecessary stops in between, (b) ensure that all approved medical cannabis product delivery times are randomized, (c) appoint each transport vehicle with a minimum of two employees where at least one transport team member remains with the vehicle at all times that the vehicle contains cannabis, (d) have access to a secure form of communication with employees at the registered organization's manufacturing facility at all times that the vehicle contains cannabis, (e) possess a copy of the shipping manifest at all times when transporting or delivering approved medical cannabis products, and (f) keep the manifest in a safe compartment for a minimum of five years.

New York Inspections

Medical cannabis facilities in New York must make its books, records and manufacturing and dispensing facilities available to the NYDOH or its authorized representatives for monitoring, on-site inspection, and audit purposes, including but not limited to periodic inspections and/or evaluations of facilities, methods, procedures, materials, staff and equipment to assess compliance with requirements of the CCA and the regulations promulgated thereunder.

U.S. Attorney Statements in New York

To the knowledge of management, other than as disclosed in this prospectus, there have not been any statements or guidance made by federal authorities or prosecutors regarding the risk of enforcement action in New York. See "*Risk Factors - U.S. State regulation of cannabis is uncertain*".

Certain Recent Developments

On March 11, 2020, the World Health Organization declared COVID-19 a global pandemic and recommended containment and mitigation measures worldwide. We are monitoring this closely, and although operations have not been materially affected by the COVID-19 outbreak to date, the ultimate severity of the outbreak and its impact on the economic environment is uncertain. Our operations are currently ongoing as the cultivation, processing and sale of cannabis products is currently considered an essential business by the states in which we operate with respect to all customers (except in Massachusetts, where cannabis was been deemed essential only for medical patients, which led to the state-wide suspension of recreational sales from March 24, 2020 to May 25, 2020). The uncertain nature of the spread of COVID-19 globally may impact our business operations for reasons including the potential quarantine of our employees, customers, and third-party service providers, delay in supply chains and the inability to adequately adjust business operations and staffing per evolving regulations and Center for Disease Control guidelines that inhibit business operations and productivity and thereby potentially impact revenue, revenue growth, profitability. Further, rising unemployment levels nationally may result in less consumer spending on our products. At this time, we are unable to estimate the impact of this event on its operations.

PROPERTIES

We lease office space in New York, NY that houses our corporate headquarters.

We lease cultivation and manufacturing facilities in Barry, IL, Athol, MA, Lansing, MI and Franklin, NJ consisting of a total of approximately 640,000 square feet. These facilities support the operations of our Wholesale segment. We lease approximately 60,000 square feet for our dispensary operations supporting our Retail segment.

We own the 15,000 square foot building that will house our future Boston, MA dispensary.

Our wholesale leases generally have a term of eighteen to twenty years. Most leases for our cultivation and manufacturing operations provide for a base rent, typically with 3 percent annual escalators and generally require us to pay insurance, utilities, real estate taxes and repair and maintenance expenses.

Our retail leases generally have a term of ten years with two five-year renewal options. Most leases for our retail stores provide for a base rent, typically with 2-3 percent annual escalators and generally require us to pay insurance, utilities, real estate taxes and repair and maintenance expenses.

The average size of our stores is approximately 5,000 square feet. The following table summarizes our principal physical properties by state, as of March 26, 2021:

State	Wholesale/Cultivation	Retail	Ancillary
Illinois	1	8	3
Massachusetts	1	3	1
New Jersey	1	3	—
New York[(1)]	1	4	3
Michigan	1	5	—
Ohio	2	1	—

(1) On February 25, 2021, we entered into a definitive investment agreement with MedMen under which we will, subject to regulatory approval, complete an investment in MedMen NY, Inc.

MANAGEMENT

Our certificate of incorporation will provide that the number of directors will be set forth in our bylaws and that each director shall hold office until the expiration of the term for which they were elected and until their successors have been duly elected and qualified or until their earlier resignation or removal. Our bylaws will provide that the number of directors on our Board shall be determined from time to time by a resolution adopted by the majority of directors of the Board.

The following table provides information regarding the individuals who currently and will continue to serve as our executive officers and directors immediately following the completion of this offering, including their ages as of March 26, 2021.

Name and Place of Residence	Age	Position
Emily Paxhia *San Francisco, California*	40	Director
Scott Swid *Sag Harbor, New York*	53	Director
Abner Kurtin *Miami Beach, Florida*	54	Founder, Chair of the Board and Chief Executive Officer
Frank Perullo *Lexington, Massachusetts*	44	Founder, Director and Chief Strategy Officer
Dan Neville *New York, New York*	35	Chief Financial Officer
Christopher Melillo *Medford, New Jersey*	47	Chief Revenue Officer

Our bylaws will provide that the directors may, from time to time, appoint such officers as the directors determine. The directors may, at any time, terminate any such appointment, subject to the rights, if any, of an officer under any contract of employment. All members of management devote full time to our business and have entered into a non-competition or non-disclosure agreements with us. Each of our directors have entered into non-disclosure agreements with us as part of the onboarding process.

Our bylaws will provide that our board of directors will consist of one or more members, as determined by the board from time to time. Initially, our board of directors will consist of four members. We are actively evaluating candidates to serve on our board who will contribute to the success and growth of our company. We anticipate adding an additional member to our board shortly after the completion of this offering.

Director and Executive Officer Biographies

Executive Officers

Abner Kurtin, Chairman, Founder, and Chief Executive Officer. Mr. Kurtin is our Chief Executive Officer and Founder and serves on our Board of Managers, positions he has held since May 2018. He has served as Chief Executive Officer since our founding in 2018. Prior to founding our company, Mr. Kurtin founded K Capital Partners, a multibillion-dollar hedge fund, in 2000 and served with the company through April 2009, and was managing member of Ca2 Group, a high-end real estate development firm in Massachusetts, from January 2010 to January 2018. He started his career at The Baupost Group as a Managing Director. He previously served as a member of the President's Council of Massachusetts General Hospital and Chairman of the Hill House. Mr. Kurtin holds an undergraduate degree from Tufts University and a M.B.A. from Harvard University. Mr. Kurtin is qualified to serve as a Director due to his in-depth knowledge of the cannabis industry and our Company.

Frank Perullo, Director and Chief Strategy Officer. Mr. Perullo is the co-founder of our Company and has served as our Chief Strategy Officer and a member of our Board of Managers since May 2018. In 2015, prior to co-

founding our Company, Mr. Perullo founded the Novus Group, a consulting firm that advises government and commercial clients, and he currently serves as principal. Prior to founding the Novus Group, Mr. Perullo founded and served as president of Sage Systems, one of the leading providers of web-based campaign management software, from 2002 to 2015. Mr. Perullo's successful entrepreneurial career and deep knowledge of the cannabis industry and our Company make him qualified to as a director.

Daniel Neville, Chief Financial Officer. Daniel Neville joined as SVP of Finance in March 2019 and became Chief Financial Officer in August 2020. He was previously at SLS Capital, a special situations hedge fund based in New York, where he served as a Managing Director from January 2015 to March 2019 and an Analyst from April 2010 to January 2015. Previously, he worked as an investment banker at Credit Suisse in the Technology Group, where he worked on mergers & acquisitions and IPO transactions. Dan earned his Bachelor of Science in Economics from Duke University.

Christopher Melillo, Chief Revenue Officer. Mr. Melillo has served as our Chief Revenue Officer since September 2020. He was formerly the Senior Vice President, Retail/Wholesale at Curaleaf Holdings, Inc. from September 2018 to September 2020. Prior to that, Christopher was the Senior Director of Stores Nike North America from July 2013 to November 2016, and Vice President of Stores at DTLR/Villa from January 2017 to August 2018. He has held significant leadership roles in Equinox, Pet Smart, Home Depot. He has been instrumental in retail expansions, store design, construction, merchandising and omni-channel commerce in hundreds of stores. In addition to developing and leading retail teams across the country.

Non-Employee Directors

Emily Paxhia, Director. Ms. Paxhia is a co-founder and Managing Director of Poseidon Investment Management, which has two private funds dedicated to cannabis and hemp related investments, and has served in such role since 2013. Poseidon has over 30 portfolio companies across several verticals in the industry in the United States and abroad. She is currently a director of Dope Media (from 2016 to present), a brand and publishing company, Tradiv, Inc. (from 2016 to present), a digital B2B wholesale platform, Flowhub, LLC (from 2015 to present), a compliance technology solution, and the Marijuana Policy Project, a cannabis policy reform organization. Ms. Paxhia earned a B.A. in Psychology from Skidmore College. Ms. Paxhia has served on our Board of Managers since September 2018. Ms. Paxhia is qualified to serve as a Director due to her extensive experience in the cannabis industry, as well as her background in sourcing, negotiating and managing investments.

Scott Swid, Director. Mr. Swid is the General Partner and managing owner of Venturi Grand Prix. He is the general partner and Managing Member of SLS Management ("**SLS**"). Prior to starting SLS in 1999, Mr. Swid was a senior portfolio manager at Kingdon Capital Management Company and an analyst at Perry Capital. Mr. Swid is also a member of the Council on Foreign Relations and sits on its Finance and Budget Committee and is Chairman of its Term Membership Admissions Committee. Scott is also a member of the Advisory Council for Stanford University's Freeman Spogli Institute for International Studies and Chairman of the Board of Directors at the Henry Street Settlement. Mr. Swid received a MBA from Harvard Business School and a BA in History from Stanford University. Mr. Swid has served on our Board of Managers since September 2018. Mr. Swid is qualified to serve as a director due to his experience in the financial services industry and his knowledge and experience in the cannabis industry.

Familial Relationships

As of March 26, 2021, there are no familial relationships among any of our officers or directors.

Director Independence

For purposes of this prospectus, the independence of our directors is determined under the corporate governance rules of the New York Stock Exchange (the "**NYSE**"). While we are not listed on the NYSE, we believe NYSE rules represent corporate governance best practices and we believe our Board should follow best practices. The independence rules of the NYSE include a series of objective tests, including that an "independent" person will not

be employed by us and will not be engaged in various types of business dealings with us. In addition, the Board is required to make a subjective determination as to each person that no material relationship exists with us either directly or as a partner, stockholder or officer of an organization that has a relationship with us. It has been determined that two of our directors that we expect to be on the Board as of the date of this prospectus are independent persons under the independence rules of the NYSE: Emily Paxhia and Scott Swid.

Board Leadership Structure

Our bylaws, which will become effective in connection with the Conversion, provide our Board with flexibility to combine or separate the positions of Chair of the Board and Chief Executive Officer. Abner Kurtin will serve as both Chair of our Board and as our Chief Executive Officer.

As Chair of the Board, Mr. Kurtin's key responsibilities will be facilitating communication between our Board and management, assessing management's performance, managing board members, preparation of the agenda for each board meeting, acting as Chair of board meetings and meetings of our Company's stockholders and managing relations with stockholders, other stakeholders and the public.

We will take steps to ensure that adequate structures and processes are in place to permit our Board to function independently of management. The directors will be able to request at any time a meeting restricted to independent directors for the purposes of discussing matters independently of management and are encouraged to do so should they feel that such a meeting is required.

Board Committees

Prior to completion of this offering, our Board will establish (i) an audit committee and (ii) a compensation and corporate governance committee. A brief description of each committee is set out below.

Audit Committee

The Audit Committee of the Board will assist our Board in fulfilling its responsibilities for oversight of financial, audit and accounting matters. The Audit Committee will review the financial reports and other financial information that we provide to regulatory authorities and our stockholders, as well as review our system of internal controls regarding finance and accounting, including auditing, accounting and financial reporting processes.

The members of the Audit Committee will be:

Name of Member	Independent[(1)]	Financially Literate[(2)]	Audit Committee Financial Expert
Scott Swid[(3)]	Yes	Yes	Yes
Emily Paxhia	Yes	Yes	No
Abner Kurtin	No	Yes	No

(1) A member of the Audit Committee is independent if he or she has no direct or indirect 'material relationship' with us. A material relationship is a relationship which could, in the view of our Board, reasonably interfere with the exercise of a member's independent judgment. Any of our executive officers, such as the President or Secretary, are deemed to have a material relationship with us.

(2) A member of the Audit Committee is financially literate if he or she has the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by our financial statements.

(3) Chair of the Audit Committee.

Each member of the Audit Committee has experience relevant to his or her responsibilities as an Audit Committee member. See "*Director and Executive Officer Biographies*" for a description of the education and experience of each Audit Committee member.

Our audit committee will operate under a written charter that satisfies applicable securities rules and regulations and the listing standards of the CSE. The Audit Committee's principal duties and responsibilities will include assisting the Board in discharging the oversight of: (i) our internal audit function; (ii) the integrity of our consolidated financial statements and accounting and financial processes and the audits of our consolidated financial statements; (iii) compliance with legal and regulatory requirements; (iv) external auditors' qualifications and independence; (v) the work and performance of financial management and external auditors; and (vi) system of disclosure controls and procedures and system of internal controls regarding finance, accounting, legal compliance and risk management established by management and the Board. The Audit Committee will have access to all books, records, facilities and personnel and may request any information about us as it may deem appropriate. It will also have the authority to retain and compensate special legal, accounting, financial and other consultants or advisors to advise the Audit Committee.

Compensation and Corporate Governance Committee

Our compensation and corporate governance committee will consist of Emily Paxhia, Scott Swid and Abner Kurtin. Emily Paxhia will serve as the chair of our compensation and corporate governance committee. Each member of our compensation and corporate governance committee meets the requirements of a "non-employee director" pursuant to Rule 16b-3 under the Exchange Act.

Our compensation and corporate governance committee will, among other things, be responsible for:

- reviewing and approving the goals and objectives relating to the compensation of our executive officers, including any long-term incentive components of our compensation programs;
- evaluating the performance of our executive officers in light of the goals and objectives of our compensation programs and determining each executive officer's compensation based on such evaluation;
- reviewing and approving, subject, if applicable, to stockholder approval, our compensation programs;
- reviewing the operation and efficacy of our executive compensation programs in light of their goals and objectives;
- reviewing and assessing risks arising from our compensation programs;
- reviewing and recommending to the Board the appropriate structure and amount of compensation for our directors;
- reviewing and approving, subject, if applicable, to stockholder approval, material changes in our employee benefit plans;
- establishing and periodically reviewing policies for the administration of our equity compensation plans;
- identifying, evaluating and recommending qualified nominees to serve on our Board;
- considering and making recommendations to our Board regarding the composition and chairmanship of the committees of our Board;
- developing and making recommendations to our Board regarding corporate governance guidelines and matters and periodically reviewing such guidelines and recommending any changes; and
- overseeing annual evaluations of our Board's performance, including committees of our Board and management.

Compensation Committee Interlocks and Insider Participation

None of the anticipated members of our compensation and corporate governance committee is an officer or employee of our Company, nor have they even been an officer or employee of our Company. None of our executive officers currently serve, or in the past year has served, as a member of the Board or compensation and corporate governance committee of any entity that has one or more executive officers serving on our Board or compensation and corporate governance committee.

Code of Business Conduct and Ethics

Prior to the completion of this offering, our Board will adopt a code of business conduct and ethics that applies to all of our employees, officers and directors, including our Chief Executive Officer, Chief Financial Officer and

other executive and senior officers. Following this offering, the full text of our code of business conduct and ethics will be posted on the investor relations page on our website. We intend to disclose any amendments to our code of business conduct and ethics, or waivers of its requirements, on our website or in filings under the Exchange Act.

Trading Restrictions

All of our executives, directors and certain other employees will be subject to our insider trading policy, which will prohibit trading in our securities while in possession of material undisclosed information about us. Under this policy, such individuals will also be prohibited from entering into hedging transactions involving our securities, such as short sales, puts and calls.

EXECUTIVE COMPENSATION

This section discusses the material components of the executive compensation program for our executive officers who are named in the "Summary Compensation Table" below. In 2020, our "named executive officers" and their positions were as follows:

- Abner Kurtin, Founder and Chief Executive Officer;
- Frank Perullo, Founder and Chief Strategy Officer; and
- Daniel Neville, Chief Financial Officer

In preparing to become a public company, we have begun a thorough review of all elements of our executive compensation program, including the function and design of our equity incentive programs. We have begun, and expect to continue in the coming months, to evaluate the need for revisions to our executive compensation program to ensure that our program is competitive with the companies with which we compete for executive talent and is appropriate for a public company. This discussion may contain forward-looking statements that are based on our current plans, considerations, expectations and determinations regarding future compensation programs.

Summary Compensation Table

The following table sets forth all compensation paid to or earned by our named executive officers in the last two fiscal years.

Name and Principal Position	Year	Salary	Bonus	Stock Awards[2]	Option Awards	Non-Equity Incentive Plan Compensation	Nonqualified Deferred Compensation Earnings	All Other Compensation	Total
Abner Kurtin,[1]	2020	$ 384,808	$ —	$ 50,143	$ —	$ —	$ —	$ 1,200	$ 436,151
Chair and Chief Executive Officer	2019	$ 276,474	$ —	$ 66,309	$ —	$ —	$ —	$ 500	$ 343,283
Frank Perullo,[1]	2020	$ 384,808	$ 20,000	$ 50,143	$ —	$ —	$ —	$ 1,200	$ 456,151
Chief Strategy Officer	2019	$ 276,474	$ —	$ 66,309	$ —	$ —	$ —	$ 500	$ 343,283
Daniel Neville,	2020	$ 276,923	$ —	$ 63,366	$ —	$ —	$ —	$ 1,200	$ 341,489
Chief Financial Officer	2019	$ 140,481	$ —	$ —	$ —	$ —	$ —	$ 800	$ 141,281

(1) The Company incurred quarterly management fees to AGP Partners, LLC of $400,000 in 2020 and $400,000 in 2019 as described below under "Certain Relationships and Related Transactions". Mr. Kurtin and Mr. Perullo are the principal beneficial owners of AGP.

(2) The amounts reported in the Stock Awards column reflect aggregate grant date fair value computed in accordance with ASC Topic 718, Compensation—Stock Compensation. These amounts reflect our calculation of the value of these awards at the grant date and do not necessarily correspond to the actual value that may ultimately be realized by the named executive officer. Assumptions used in the calculation of these amounts are included in Note 13 to our consolidated financial statements for the fiscal years ended December 31, 2020 and 2019, which are included elsewhere in this registration statement.

Base Salary. We use base salaries to recognize the experience, skills, knowledge and responsibilities required of all our employees, including our named executive officers. None of our named executive officers is currently party to an employment agreement or other agreement or arrangement that provides for automatic or scheduled increases in base salary. The employment agreements with our named executive officers are described below.

In 2019, we paid Mr. Kurtin and Mr. Perullo an annualized base salary of $300,000 beginning on February 1, 2019. On June 29, 2020, our Board approved an increase in the annualized base salaries for Mr. Kurtin and Mr. Perullo to $425,000 per year. In 2019, Mr. Neville earned an annual salary of $250,000. On May 25, 2020, Mr. Neville's annual salary increased to $300,000.

Annual Bonus. Our Board may, in its discretion, award bonuses to our named executive officers from time to time. We have not awarded cash bonuses to our named executive officers or to our employees generally to date. We believe it is imperative to deploy our capital to build our assets and acquire promising targets. In November 2020, as

discussed below, our Board approved additional equity incentive grants to our named executive officers and employees. In the future, we may adopt a formal policy regarding annual cash bonuses.

Equity Incentives. Although we do not have a formal policy with respect to the grant of equity incentive awards to our executive officers, or any formal equity ownership guidelines applicable to them, we believe that equity grants provide our executives with a strong link to our long-term performance, create an ownership culture and help to align the interests of our executives and our stockholders. In addition, we believe that equity grants with a time-based vesting feature promote executive retention. We also believe that having vesting tie to the completion of this offering or a Change of Control encourages our executive officers to continue to operate in the best interests of our equity holders and work toward successful completion of a liquidity event for our members.

In January 2019, our board of managers adopted the Ascend Wellness Holdings, LLC Equity Incentive Plan (the "**Incentive Plan**"). During 2019, our board of managers approved the issuance of incentive units to our named executive officers and employees. We granted 850,000 incentive units to Mr. Kurtin and Mr. Perullo, vesting annually beginning June 29, 2018. Mr. Neville received 750,000 incentive units on March 31, 2020, vesting annually beginning March 18, 2019. The grant agreements for these units provide for accelerated vesting of all unvested units upon an initial public offering or change of control. In November 2020, in connection with our election to be treated as a corporation, as well as the adoption of the 2020 Equity Incentive Plan, our outstanding incentive units that were previously classified as "profits interests" were cancelled and replaced with restricted common units. No changes were made to vesting conditions.

In November 2020, the Company granted Mr. Kurtin and Mr. Perullo 2,500,000 restricted common units each as a 2020 Bonus award. Mr. Neville also received a total of 1,250,000 restricted common units. These awards vest in one-third increments on the first three anniversaries of November 3, 2020. The grant agreements for these units provide for accelerated vesting of 50% of unvested units upon an initial public offering or change of control.

Outstanding Equity Awards Table

The following table sets forth outstanding equity awards for our named executive officers at December 31, 2020.

	Grant Dates	Number of Securities Underlying Unexercised Options (#) Exercisable	Number of Securities Underlying Unexercised Options (#) Unexercisable	Equity Incentive Plan Awards: Number of Securities Underlying Unexercised Unearned Options (#)	Option Exercise Price ($)	Option Expiration Date	Number of Shares or Units of Stock That Have Not Vested (#)	Market Value of Shares or Units of Stock That Have Not Vested ($)[1]	Equity Incentive Plan Awards: Number of Unearned Shares, Units or Other Rights That Have Not Vested (#)	Equity Incentive Plan Awards: Market or Payout Value of Unearned Shares, Units or Other Rights That Have Not Vested ($)[1]
Abner Kurtin *Chair and Chief Executive Officer*	11/3/2020	—	—	—	—	—	2,783,333		—	—
Frank Perullo *Chief Strategy Officer and Director*	11/3/2020	—	—	—	—	—	2,783,333		—	—
Daniel Neville *Chief Financial Officer*	11/3/2020	—	—	—	—	—	1,750,000		—	—

(1) The market value of the unvested incentive share awards is based on the assumed initial public offering price of $ per share, which is the midpoint of the price range per share set forth on the cover of this prospectus.

The Incentive Plan

The Incentive Plan was initially approved by the board of managers of the Company in January 2019. The Incentive Plan provided for the grant of incentive units and other unit-based awards. The maximum number of incentive units authorized for issuance under the Incentive Plan was 12,950,000 shares.

The 2020 Incentive Plan

In November 2020, our board of managers approved that the Company be taxed as a corporation under U.S. federal income tax rules as of January 1, 2020. As a result, the incentive units previously approved and issued by the board of managers were required to be cancelled. The board of managers approved the Ascend Wellness Holdings, LLC 2020 Equity Incentive Plan (the "**2020 Incentive Plan**") in November 2020, pursuant to which the Company is permitted to issue common units, common unit options and restricted unit awards. The board of managers has approved the issuance of up to 20,061,147 units under the 2020 Incentive Plan. As of the date of this prospectus, 19,887,158 restricted common units have been issued under the 2020 Incentive Plan.

As part of the Conversion, holders of restricted common units issued under the 2020 Incentive Plan will receive one share of Class A common stock of Ascend Wellness Holdings, Inc. for each restricted common unit held immediately prior to the Conversion. See "*Corporate Conversion and Corporate Structure*."

Termination and Change of Control Benefits

The Company has entered into employment agreements with each of its executive officers. A summary of each agreement is set forth below.

Abner Kurtin, Chief Executive Officer

Effective as of March 22, 2021, the Company entered into an employment agreement with Abner Kurtin (the "CEO Employment Agreement"). Pursuant to the CEO Employment Agreement, Mr. Kurtin will continue to serve the Company as its Chief Executive Officer and report to the Company's Board, for an initial term of three years, after which the term of employment will automatically renew for successive one year terms unless either Mr. Kurtin or the Company provides notice of non-renewal to the other party at least 90 days prior to the expiration of the then current term. So long as Mr. Kurtin is serving as the Chief Executive Officer, the Company will nominate him for re-election to the Board.

Under the CEO Employment Agreement, Mr. Kurtin is entitled to receive a base salary of $1,000,000 per year (subject to any discretionary increase by the Board from time to time) and is eligible to earn an annual bonus based on the achievement of performance goals established by the Compensation Committee of the Board, with the target and maximum annual bonus opportunities equal to 100% and 200%, respectively, of the base salary. In the event of a change of control of the Company (as defined in the Company's 2021 Equity Incentive Plan), Mr. Kurtin will be deemed to have earned the maximum annual bonus for each fiscal year during the remainder of the term of employment; provided that the Company's obligation to pay such bonus will terminate immediately upon a termination of Mr. Kurtin's employment by the Company for Cause (as defined in the CEO Employment Agreement). Additionally, subject to the Board's approval, Mr. Kurtin will be granted 2,500,000 restricted stock units under the Company's 2021 Equity Incentive Plan.

In the event that Mr. Kurtin's employment is terminated due to death or disability (as described in the CEO Employment Agreement), he will be entitled to: (x) any annual bonus earned for the fiscal year in which such termination occurs, prorated for the number of days worked during such fiscal year (the "Prorated Bonus"), and (y) 12 months of continued participation in the Company's medical and dental insurance plans (the "Benefit Continuation"). If the Company terminates Mr. Kurtin's employment for any reason other than for Cause, including as a result of the Company's non-renewal notice to Mr. Kurtin (and in any event, not due to his death or disability), or if Mr. Kurtin resigns from the Company for Good Reason (as defined in the CEO Employment Agreement), then, in addition to the Prorated Bonus and the Benefit Continuation, Mr. Kurtin will be entitled to: (i) an amount equal to

two times the sum of the base salary and annual bonus earned by him for the full fiscal year preceding the termination date (or, if termination occurs before one full fiscal year of employment has lapsed, the current base salary and target bonus amount), with such amount payable in installments over the 12 month period after the termination date (provided that, if such termination occurs within 18 months after a Change of Control Event (as defined in the CEO Employment Agreement), then such amount will be paid in a lump sum), and (ii) immediate vesting in full and lapse of any repurchase right with respect to all of his outstanding equity awards (with any performance-based equity awards deemed earned at target performance).

The severance benefits described above are subject to Mr. Kurtin's (or his estate's or legal representative's, as applicable) execution and non-revocation of a general release of claims, as well as Mr. Kurtin's compliance with the restrictive covenants set forth in the CEO Employment Agreement, including certain non-competition and non-solicitation restrictions during employment and for 12 months thereafter and to certain obligations relating to non-disparagement, confidentiality and intellectual property for an indefinite period (and the Company has a mutual non-disparagement obligation with respect to Mr. Kurtin).

The foregoing description of the CEO Employment Agreement is only a summary, does not purport to be complete, and is qualified in its entirety by reference to the CEO Employment Agreement, a copy of which is filed as Exhibit 10.28 hereto and is incorporated herein by reference.

Frank Perullo, Chief Strategy Officer

Effective as of March 23, 2021, Ascend Wellness Holdings, LLC (the "Company") entered into an employment agreement with Mr. Perullo (the "CSO Employment Agreement"). Pursuant to the CSO Employment Agreement, Mr. Perullo will continue to serve the Company as its Chief Strategy Officer and report to the Company's Board of Directors (the "Board"), for an initial term of three years, after which the term of employment will automatically renew for successive one year terms unless either Mr. Perullo or the Company provides notice of non-renewal to the other party at least 90 days prior to the expiration of the then current term. So long as Mr. Perullo is serving as the Chief Strategy Officer, the Company will nominate him for re-election to the Board.

Under the CSO Employment Agreement, Mr. Perullo is entitled to receive a base salary of $750,000 per year (subject to any discretionary increase by the Board from time to time) and is eligible to earn an annual bonus based on the achievement of performance goals established by the Compensation Committee of the Board, with the target and maximum annual bonus opportunities equal to 100% and 200%, respectively, of the base salary. In the event of a change of control of the Company (as defined in the Company's 2021 Equity Incentive Plan), Mr. Perullo will be deemed to have earned the maximum annual bonus for each fiscal year during the remainder of the term of employment; provided that the Company's obligation to pay such bonus will terminate immediately upon a termination of Mr. Perullo's employment by the Company for Cause (as defined in the CSO Employment Agreement). Additionally, subject to the Board's approval, Mr. Perullo will be granted 1,500,000 restricted stock units under the Company's 2021 Equity Incentive Plan.

In the event that Mr. Perullo's employment is terminated due to death or disability (as described in the CSO Employment Agreement), he will be entitled to: (x) any annual bonus earned for the fiscal year in which such termination occurs, prorated for the number of days worked during such fiscal year (the "Prorated Bonus"), and (y) 12 months of continued participation in the Company's medical and dental insurance plans (the "Benefit Continuation"). If the Company terminates Mr. Perullo's employment for any reason other than for Cause, including as a result of the Company's non-renewal notice to Mr. Perullo (and in any event, not due to his death or disability), or if Mr. Perullo resigns from the Company for Good Reason (as defined in the CSO Employment Agreement), then, in addition to the Prorated Bonus and the Benefit Continuation, Mr. Perullo will be entitled to: (i) an amount equal to two times the sum of the base salary and annual bonus earned by him for the full fiscal year preceding the termination date (or, if termination occurs before one full fiscal year of employment has lapsed, the current base salary and target bonus amount), with such amount payable in installments over the 12 month period after the termination date (provided that, if such termination occurs within 18 months after a Change of Control Event (as defined in the CSO Employment Agreement), then such amount will be paid in a lump sum), and (ii)

immediate vesting in full and lapse of any repurchase right with respect to all of his outstanding equity awards (with any performance-based equity awards deemed earned at target performance).

The severance benefits described above are subject to Mr. Perullo's (or his estate's or legal representative's, as applicable) execution and non-revocation of a general release of claims, as well as Mr. Perullo's compliance with the restrictive covenants set forth in the CSO Employment Agreement, including certain non-competition and non-solicitation restrictions during employment and for 12 months thereafter and to certain obligations relating to non-disparagement, confidentiality and intellectual property for an indefinite period (and the Company has a mutual non-disparagement obligation with respect to Mr. Perullo).

The foregoing description of the CSO Employment Agreement is only a summary, does not purport to be complete, and is qualified in its entirety by reference to the CSO Employment Agreement, a copy of which is filed as Exhibit 10.29 hereto and is incorporated herein by reference.

Daniel Neville, Chief Financial Officer

Effective as of March 23, 2021, Ascend Wellness Holdings, LLC (the "Company") entered into an employment agreement with Mr. Neville (the "CFO Employment Agreement"). Pursuant to the CFO Employment Agreement, Mr. Neville will continue to serve the Company as its Chief Financial Officer and report to the Company's CEO, for an initial term of three years, after which the term of employment will automatically renew for successive one year terms unless either Mr. Neville or the Company provides notice of non-renewal to the other party at least 90 days prior to the expiration of the then current term.

Under the CFO Employment Agreement, Mr. Neville is entitled to receive a base salary of $500,000 per year (subject to any discretionary increase by the Board from time to time) and is eligible to earn an annual bonus based on the achievement of performance goals established by the Compensation Committee of the Board, with the target and maximum annual bonus opportunities equal to 100% and 200%, respectively, of the base salary. In the event of a change of control of the Company (as defined in the Company's 2021 Equity Incentive Plan), Mr. Neville will be deemed to have earned the maximum annual bonus for each fiscal year during the remainder of the term of employment; provided that the Company's obligation to pay such bonus will terminate immediately upon a termination of Mr. Neville's employment by the Company for Cause (as defined in the CFO Employment Agreement). Additionally, subject to the Board's approval, Mr. Neville will be granted 1,500,000 restricted stock units under the Company's 2021 Equity Incentive Plan.

In the event that Mr. Neville's employment is terminated due to death or disability (as described in the CFO Employment Agreement), he will be entitled to: (x) any annual bonus earned for the fiscal year in which such termination occurs, prorated for the number of days worked during such fiscal year (the "Prorated Bonus"), and (y) 12 months of continued participation in the Company's medical and dental insurance plans (the "Benefit Continuation"). If the Company terminates Mr. Neville's employment for any reason other than for Cause, including as a result of the Company's non-renewal notice to Mr. Neville (and in any event, not due to his death or disability), or if Mr. Neville resigns from the Company for Good Reason (as defined in the CFO Employment Agreement), then, in addition to the Prorated Bonus and the Benefit Continuation, Mr. Neville will be entitled to: (i) an amount equal to two times the sum of the base salary and annual bonus earned by him for the full fiscal year preceding the termination date (or, if termination occurs before one full fiscal year of employment has lapsed, the current base salary and target bonus amount), with such amount payable in installments over the 12 month period after the termination date (provided that, if such termination occurs within 18 months after a Change of Control Event (as defined in the CFO Employment Agreement), then such amount will be paid in a lump sum), and (ii) immediate vesting in full and lapse of any repurchase right with respect to all of his outstanding equity awards (with any performance-based equity awards deemed earned at target performance).

The severance benefits described above are subject to Mr. Neville's (or his estate's or legal representative's, as applicable) execution and non-revocation of a general release of claims, as well as Mr. Neville's compliance with the restrictive covenants set forth in the CFO Employment Agreement, including certain non-competition and non-solicitation restrictions during employment and for 12 months thereafter and to certain obligations relating to non-

disparagement, confidentiality and intellectual property for an indefinite period (and the Company has a mutual non-disparagement obligation with respect to Mr. Neville).

The foregoing description of the CFO Employment Agreement is only a summary, does not purport to be complete, and is qualified in its entirety by reference to the CFO Employment Agreement, a copy of which is filed as Exhibit 10.30 hereto and is incorporated herein by reference.

Director Compensation

The table below shows the aggregate number of restricted common units (vested and unvested) held as of December 31, 2020 by each non-employee director who was serving as of December 31, 2020.

Name	Outstanding at Fiscal Year End
Chris Leavy	500,000
Emily Paxhia	500,000
Scott Swid	500,000

In January 2019, Chris Leavy and Emily Paxhia were each awarded 250,000 incentive units. These units vest in one-third increments on the first three anniversaries of June 29, 2018. The grant agreements provide for accelerated vesting of all unvested units upon an initial public offering or change of control. These incentive units were exchanged for restricted common units in 2020.

In November 2020, Chris Leavy and Emily Paxhia were each awarded 250,000 restricted common units. Scott Swid was not awarded any incentive units in fiscal year 2019, but was awarded a total of 500,000 restricted common units in 2020. These units vest in one-third increments on the first three anniversaries of November 3, 2020. The grant agreements provide for accelerated vesting of 50% of unvested units upon an initial public offering or change of control.

The following table sets forth all compensation paid to or earned by each of our non-employee directors during fiscal year 2020 other than the two named executive officers who also serve as directors.

Name	Fees Earned or Paid in Cash ($)	Stock Awards ($)[1]	Option Awards ($)	Non-Equity Incentive Plan Compensation ($)	Nonqualified Deferred Compensation Earnings ($)	All Other Compensation ($)	Total ($)
Chris Leavy	—	$ 13,887	—	—	—	—	$ 13,887
Emily Paxhia	—	$ 13,887	—	—	—	—	$ 13,887
Scott Swid	—	$ 30,301	—	—	—	—	$ 30,301

(1) The amounts reported in the Stock Awards column reflect aggregate grant date fair value computed in accordance with ASC Topic 718, Compensation—Stock Compensation. These amounts reflect our calculation of the value of these awards at the grant date and do not necessarily correspond to the actual value that may ultimately be realized by the named executive officer. Assumptions used in the calculation of these amounts are included in Note 13 to our consolidated financial statements for the fiscal years ended December 31, 2020 and 2019, which are included elsewhere in this registration statement.

Non-Employee Director Compensation Policy

In connection with this offering, we intend to adopt a non-employee director compensation policy that, effective upon the closing of this offering, will be applicable to each of our non-employee directors. Pursuant to this non-employee director compensation policy, we expect that each non-employee director will receive an annual retainer of $100,000. Each director will also receive an annual restricted stock unit award of 25,000 shares of Class A common stock (with prorated awards made to directors who join on a date other than an annual meeting following the first annual meeting after the closing of this offering), which will generally vest in full on the day immediately

prior to the date of our annual stockholder meeting immediately following the date of grant, subject to the non-employee director continuing in service through such meeting date. In addition, each director will be reimbursed for out-of-pocket expenses in connection with his or her services.

SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

The following table sets forth information with respect to the beneficial ownership of our common stock (1) reflecting the Conversion and (2) as adjusted to give effect to this offering, for:

- each of our named executive officers;
- each of our directors;
- all of our executive officers and directors as a group; and
- each person known to us to own beneficially more than 5% of our common stock.

The number of shares beneficially owned by each stockholder as described in this prospectus is determined under rules issued by the SEC. Under these rules, beneficial ownership includes any shares as to which the individual or entity has sole or shared voting power or investment power. In computing the number of shares beneficially owned by an individual or entity and the percentage ownership of that person, shares of common stock subject to options, or other rights held by such person that are currently exercisable or will become exercisable within 60 days of , are considered outstanding, although these shares are not considered outstanding for purposes of computing the percentage ownership of any other person. The percentage ownership of each individual or entity before this offering is based on shares of Class A common stock as of , after giving effect to (i) the completion of the offering; (ii) the assumed exercise of warrants to purchase shares of our common stock outstanding as of , which will result in the issuance of shares of common stock in connection with this offering; and (iii) the Conversion. The applicable percentage ownership after this offering is based on shares of our Class A common stock outstanding immediately following the completion of this offering, assuming that the underwriters will not exercise their over-allotment option in full and assuming the issuance of up to shares of Class A common stock at the closing of this offering. Unless otherwise indicated, the address for each director and executive officer is c/o Ascend Wellness Holdings, LLC, 1411 Broadway, 16th Floor, New York, NY 10018.

	Shares of Class A Common Stock Beneficially Owned Before this Offering		Shares of Class A Common Stock Beneficially Owned After this Offering		Shares of Class B Common Stock Beneficially Owned After this Offering[1]		Aggregate Voting Power After this Offering
Name, Position and Address of Beneficial Owner	**Number**	**Percent**	**Number**	**Percent**	**Number**	**Percent**	**Percent**
Abner Kurtin[2], *Founder and Chief Executive Officer*							
Emily Paxhia[3], *Director*							
Frank Perullo[4], *Founder and Chief Strategy Officer*							
Scott Swid[5], *Director*							
Daniel Neville[6], *Chief Financial Officer*							
Christopher Melillo[7], *Chief Revenue Officer*							
All Board directors and named executive officers as a group							
One Tower Spire, LLC[8]							

* Represents beneficial ownership of less than one percent of the outstanding shares of the class.

(1) There were no shares of Class B common stock outstanding prior to the offering.
(2) Represents shares of Class A common stock acquired following the Conversion, consisting of (i) common units beneficially held through AGP and (ii) restricted common units awarded under the 2020 Incentive Plan.
(3) Represents shares of Class A common stock acquired following the Conversion, consisting of (i) common units under Poseidon Management and (ii) restricted common units awarded under the 2020 Incentive Plan.
(4) Represents shares of Class A common stock acquired following the Conversion, consisting of (i) common units beneficially held through AGP and (ii) restricted common units awarded under the 2020 Incentive Plan.
(5) Represents shares of Class A common stock acquired following the Conversion, consisting of (i) common units and (ii) restricted common units awarded under the 2020 Incentive Plan.
(6) Represents shares of Class A common stock acquired following the Conversion, consisting of restricted common units under the 2020 Incentive Plan.
(7) Represents shares of Class A common stock acquired following the Conversion, consisting of restricted common units under the 2020 Incentive Plan.
(8) Represents shares of Class A common stock acquired following the Conversion, consisting of Series Seed+ Preferred Units. Management of One Tower Spire, LLC is vested in its manager, One Tower GP, LLC. Management of One Tower GP, LLC is vested in its manager, Permit Capital Advisors, LLC. The following principals of Permit Capital Advisors, LLC share voting and investment control over the equity securities held by One Tower Spire, LLC and may be deemed to beneficially own such shares: Adam Landau, Mimi Drake, Kimberly Crowley and Matthew Taylor. Each such person disclaims any beneficial ownership of such securities, other than to the extent of any pecuniary interest they may have therein, directly or indirectly.

CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS

Since May 15, 2018, the date of formation of AWH, other than employment and executive compensation matters described under "*Executive Compensation*" and the transactions described below, there have been no transactions or loans between us and:

- enterprises that directly or indirectly through one or more intermediaries, control or are controlled by, or are under common control with, us;
- associates, meaning unconsolidated enterprises in which we have a significant influence, or which have significant influence over us;
- individuals owning, directly or indirectly, an interest in the voting power of us that gives them significant influence over our us, and close members of any such individual's family;
- key management personnel, that is, those persons having authority and responsibility for planning, directing and controlling the activities of ours, including directors and senior management of us and close members of such individuals' families; and
- enterprises in which a substantial interest in the voting power is owned, directly or indirectly, by any person described in the third or fourth bullets above or over which such a person is able to exercise significant influence, including enterprises owned by directors or major shareholders of us and enterprises that have a member of key management in common with us.

Related Party Transaction Policy

Our Board will adopt a Related Party Transactions Policy, which requires that employees, officers and directors report to the chief legal officer any activity that would cause or appear to cause a conflict of interest on his or her part.

Under the Related Party Transactions Policy, a related party transaction includes any transaction, arrangement or relationship, or any series of similar transactions, arrangements or relationships, in which:

- we or any of our subsidiaries are or will be a participant;
- the aggregate amount involved will be or may be expected to exceed $120,000 in any fiscal year; and
- any related party has or will have a direct or indirect material interest.

Related parties include any person who is or was (since the beginning of the last fiscal year, even if such person does not presently serve in that role) an executive officer, director or nominee for director of the Company, any stockholder owning more than 5% of any class of our voting securities or an immediate family member, as defined in the Related Party Transactions Policy, of any such person.

Pursuant to the Related Party Transactions Policy, any potential related party transaction that requires approval will be reviewed by the Audit Committee, and the Audit Committee will consider such factors as it deems appropriate to determine whether to approve, ratify or disapprove the related party transaction. The Audit Committee may approve the related party transaction only if it determines in good faith that, under all of the circumstances, the transaction is in the best interests of us and our stockholders.

Transactions with Related Parties

Management Agreement

Effective April 1, 2018, AWH entered into a management agreement (the "**Management Agreement**") with AGP, the managing member of AWH, pursuant to which AWH paid AGP $100,000 on a quarterly basis in exchange for AGP serving as managing member of AWH. AGP is entitled to receive $2,000,000 upon the termination of the Management Agreement in the event of an initial public offering or change of control of AWH. The payout is contingent upon the beneficial owners of AGP who serve as officers of the Company (i.e., Abner Kurtin and Frank Perullo) entering into lock-up agreements that extend for 180 days beyond the lock-up agreements to be entered into

in connection with the offering. Pursuant to the MSA, each such lock-up agreement shall contain a provision whereby AWH's Board of Managers may waive, in whole or in part, such extended lock-up thereto if AWH's Board of Managers determines, in its sole discretion and in accordance with AWH's governing documents and applicable law, that such waiver will not have an adverse effect on AWH and its equity holders, business, financial condition and prospects. For more information regarding the lock-up agreements, see "*Underwriters*." Following the completion of this offering and the Conversion, the Management Agreement will terminate and AGP will be paid $2,000,000. The Management Agreement was approved by the disinterested members and the board of managers of AWH.

JM10 II, LLC Convertible Note

JM10 II, LLC purchased $1,000,000 of the Company's convertible notes issued pursuant to that certain Note Purchase Agreement, dated June 12, 2019. Abner Kurtin is the beneficial owner of 50% of JM10 II, LLC.

JM10 II, LLC Loan

On May 11, 2020, the Company made a loan to JM10 II, LLC, in the principal amount of $500,000, pursuant to a short-term promissory note. The note and all principal and interest obligations thereunder was repaid in full on November 12, 2020. Abner Kurtin is the beneficial owner of 50% of JM10 II, LLC.

Registration Rights Agreement

In connection with this offering, we intend to enter into a registration rights agreement with AGP. AGP will be entitled to request that we register their shares of capital stock on a long-form or short-form registration statement on one or more occasions in the future, which registrations may be "shelf registrations." AGP will be entitled to participate in certain of our registered offerings, subject to the restrictions in the registration rights agreement. We will pay expenses in connection with the exercise of these rights. The registration rights described in this paragraph apply to (1) shares of our Class A common stock held by AGP and their affiliates, and (2) any of our capital stock (or that of our subsidiaries) issued or issuable with respect to the Class A common stock described in clause (1) with respect to any dividend, distribution, recapitalization, reorganization, or certain other corporate transactions ("**Registrable Securities**") and (3) Class A common stock issuable upon the conversion of Class B common stock. These registration rights are also for the benefit of any subsequent holder of Registrable Securities; provided that any particular securities will cease to be Registrable Securities when they have been sold in a registered public offering, sold in compliance with Rule 144 of the Securities Act or repurchased by us or our subsidiaries. In addition, with the consent of the company and holders of a majority of Registrable Securities, certain Registrable Securities will cease to be Registrable Securities if they can be sold without limitation under Rule 144 of the Securities Act.

Corporate Conversion

We currently operate as a Delaware limited liability company. In connection with this offering, we will convert from a Delaware limited liability company to a Delaware corporation. Existing security holders (including certain related parties) will receive the number of shares of common stock described in this prospectus as a result of the Conversion. See "*Corporate Conversion and Corporate Structure*."

Indemnification

Our bylaws, as will be in effect prior to the closing of this offering, provide that we will indemnify our directors and officers to the fullest extent permitted by the laws of the State of Delaware in effect from time to time, subject to certain exceptions contained in our bylaws. In addition, our certificate of incorporation, as will be in effect prior to the closing of this offering, provides that our directors will not be personally liable for monetary damages for breaches of fiduciary duty as a director.

Prior to the closing of this offering, we will enter into indemnification agreements with each of our executive officers and directors. The indemnification agreements will provide the executive officers and directors with contractual rights to indemnification, and expense advancement and reimbursement, to the fullest extent permitted under the laws of the State of Delaware in effect from time to time, subject to certain exceptions contained in those agreements. In addition, in connection with the offering, the Company will indemnify each of AGP, Abner Kurtin and Frank Perullo, in their capacities as promoter or founders, as applicable, in respect of any third-party liabilities, including, but not limited to, civil liabilities under applicable securities legislation, and to contribute to any payments that such persons may be required to make in respect thereof, subject to any limitations under the Securities Act and applicable legislation.

There is no pending litigation or proceeding naming any of our directors or officers to which indemnification is being sought, and we are not aware of any pending litigation that may result in claims for indemnification by any director or officer.

Promoters

Abner Kurtin and Frank Perullo may each be considered a promoter of the Company within the meaning of applicable securities legislation. Pursuant to the Management Agreement, in connection with this offering, AGP will receive $2 million. AGP is currently owned approximately 78% by entities controlled by Abner Kurtin and 22% by entities controlled by Frank Perullo. Messrs. Kurtin and Perullo will not receive any additional consideration of value nor will they dispose of any assets to the Company in connection with the offering or otherwise.

LEGAL PROCEEDINGS

From time to time, we may become involved in legal proceedings arising in the ordinary course of our business. Except as disclosed below, we are not currently a party to any material pending legal proceedings the outcome of which, if determined adversely to us, would individually or in the aggregate have a material adverse effect on our business, financial condition, results of operations or prospects.

On December 4, 2020, TVP, LLC, TVP Grand Rapids, LLC and TVP Alma, LLC (collectively, the "**TVP Parties**") filed a complaint in the Circuit Court of the State of Michigan, County of Oakland, asserting claims against FPAW Michigan, LLC ("**FPAW**") and AWH. The case number for the action is 2020-184972-CB. The TVP Parties allege that FPAW and AWH have breached multiple contracts with the TVP Parties for the sale of medical cannabis-zoned real estate locations throughout Michigan. The TVP Parties have asked the court to grant specific performance of the contracts with AWH and FPAW, which, if granted, would result in AWH issuing approximately 9.5 million common units and paying approximately $16.5 million in cash to the TVP Parties in exchange for the properties subject to the agreements. FPAW and AWH intend to vigorously defend this action and assert all potential defenses and claims against the TVP Parties. AWH and FPAW filed an answer to the complaint on January 28, 2021.

On January 21, 2021, the Division of Professional Regulation of the Illinois Department of Financial and Professional Regulation (the "**IDFPR**") filed an administrative law complaint against Health Central, LLC, d/b/a Ascend, and three former employees of Ascend's dispensary in Collinsville, Illinois. On March 2, 2021, the IDFPR filed an amended complaint removing pre-2020 claims under the adult use statute, but keeping those claims under the medical use statute. The complaint contains twelve counts alleging compliance and security violations at the dispensary between November 2019 and January 2020 and one incident in June 2020. The counts allege that particular security cameras were temporarily inoperative, a door was propped open during a construction project, products and certain areas were not sufficiently secure on three instances and two incidents of dispensing beyond the adult-use limit (both of which Ascend caught prior to the customer leaving the point of sale and self-reported to the IDFPR). Notably, the IDFPR does not allege that any incident led to diversion of cannabis from the dispensary. All but the June 2020 incident arose during the limited construction project or the opening weeks of legalization of adult-use recreational cannabis. Ascend believes that it has remediated and addressed each alleged incident. The complaint asks the court to discipline Ascend for each count with revocation or suspension of the dispensary license, a fine of up to $10,000 for the pre-2020 claims and $20,000 for the other claims or other discipline as the court deems appropriate. While counsel for the defendants has filed appearances in the case, the defendants have not yet responded to the complaint. A preliminary hearing was held on March 8, 2021, and a status hearing was set for April 26, 2021.

DESCRIPTION OF CAPITAL STOCK

General

The following is a summary of the rights of our common stock and preferred stock and certain provisions of our certificate of incorporation and bylaws assuming the completion of this offering. This summary does not purport to be complete and is qualified in its entirety by the provisions of our certificate of incorporation and bylaws, copies of which are filed as exhibits to the registration statement of which this prospectus is a part. We encourage you to read our certificate of incorporation and our bylaws for additional information.

Immediately following the completion of this offering, our authorized capital stock will consist of shares of capital stock, of which:

- shares are designated as Class A common stock, $ par value per share;
- shares are designated as Class B common stock, $ par value per share; and
- shares are designated as preferred stock, $ par value per share.

As of , there were shares of our Class A common stock outstanding (assuming an initial public offering price of $ per share (the midpoint of the estimated offering price range set forth on the cover page of this prospectus)), held by stockholders of record. As of , there were shares of our Class B common stock outstanding and no shares of our preferred stock outstanding, assuming the completion of the Conversion as of , and the effectiveness of our certificate of incorporation upon the completion of this offering.

Common Stock

Dividend Rights

Subject to preferences that may apply to any shares of preferred stock outstanding at the time, and any contractual limitations, such as our credit agreements, the holders of our common stock will be entitled to receive dividends out of funds then legally available, if any, if our Board, in its discretion, determines to issue dividends and then only at the times and in the amounts that our Board may determine. If a dividend is paid in the form of Class A common stock or Class B common stock, then holders of Class A common stock shall receive Class A common stock and holders of Class B common stock shall receive Class B common stock.

Voting Rights

We will have two classes of authorized common stock, Class A common stock and Class B common stock. Each share of Class A common stock will be entitled to one vote per share. Each share of Class B common stock will be entitled to votes per share. Holders of Class A common stock and Class B common stock will vote together as a single class on all matters (including the election of directors) submitted to a vote of stockholders, unless otherwise required by law or our certificate of incorporation.

Delaware law could require holders of Class A common stock or Class B common stock to vote separately as a single class in the following circumstances:

- if we were to seek to amend our certificate of incorporation to increase or decrease the par value of a class of our capital stock, then that class would be required to vote separately to approve the proposed amendment; and
- if we were to seek to amend our certificate of incorporation in a manner that alters or changes the powers, preferences or special rights of a class of our capital stock in a manner that affected its holders adversely, then that class would be required to vote separately to approve the proposed amendment.

Our stockholders will not have the ability to cumulate votes for the election of directors. Except in respect of matters relating to the election of directors, or as otherwise provided in our certificate of incorporation or required by law, all matters to be voted on by our stockholders must be approved by a majority of the shares present in person or by proxy at the meeting and entitled to vote on the subject matter. In the case of the election of directors, director candidates must be approved by a plurality of the shares present in person or by proxy at the meeting and entitled to vote on the election of directors.

After this offering, all of our Class B common stock, representing % of the voting power of our outstanding capital stock, will be held by AGP which is controlled by Mr. Kurtin and Mr. Perullo, as the managing members of AGP. Mr. Kurtin serves as one of our Founders and our Chief Executive Officer and, subsequent to the Conversion, will serve as a Founder, our Chief Executive Officer and Chair of our Board. Mr. Perullo serves as one of our Founders and our Chief Strategy Officer and, subsequent to the Conversion, will serve as a Founder, our Chief Strategy Officer and as a director on our Board. Because of our dual-class structure, we anticipate that, for the foreseeable future, Mr. Kurtin and Mr. Perullo, as managing members of AGP, will continue to be able to control all matters submitted to our stockholders for approval, including the election and removal of directors.

Conversion, Preemptive or Similar Rights

Each share of Class B common stock will automatically convert into one share of Class A common stock on the final conversion date, as defined in our certificate of incorporation. Each share of Class B common stock will also be convertible at any time at the option of the holder into one share of Class A common stock. In addition, each share of Class B common stock will convert automatically into one share of Class A common stock upon any transfer, whether or not for value, except for certain transfers described in our certificate of incorporation, including, without limitation, transfers for tax and estate planning purposes, so long as the transferring holder of Class B common stock continues to hold exclusive voting and dispositive power with respect to the shares transferred.

All shares of Class B common stock will convert automatically into Class A common stock on the date on which Mr. Kurtin or Mr. Perullo cease for any reason to own cumulatively at least 51% of the voting control of AGP.

Once converted into a share of Class A common stock, a converted share of Class B common stock will not be reissued. Following the conversion of all outstanding shares of Class B common stock, no further shares of Class B common stock will be issued.

Except as described above, holders of Class A common stock and Class B common stock will have no preemptive, conversion, subscription or other rights, and there are no redemption or sinking fund provisions applicable to Class A common stock or Class B common stock. The rights, preferences and privileges of the holders of Class A common stock and Class B common stock will be subject to and may be adversely affected by, the rights of the holders of shares of any series of preferred stock that we may designate in the future.

Right to Receive Liquidation Distributions

In the event of our liquidation, dissolution or winding up, holders of our Class A common stock and Class B common stock will be entitled to share ratably in the net assets legally available for distribution to stockholders after the payment of all of our debts and other liabilities and the satisfaction of any liquidation preference granted to the holders of any then-outstanding shares of preferred stock.

Identical Treatment of Common Stock in Change of Control Transaction

In the event of any change of control transaction, shares of our Class A common stock and Class B common stock shall be treated equally, ratably and identically, on a per share basis, with respect to any consideration into which such shares are converted or any consideration paid or otherwise distributed to stockholders of the Corporation, unless different treatment of the shares of each such class is approved by the affirmative vote of the

holders of a majority of the outstanding shares of Class A Common Stock and Class B Common Stock, each voting separately as a class.

Fully Paid and Non-Assessable

All of the outstanding shares of our common stock are, and the shares of our common stock to be issued pursuant to this offering will be, fully paid and non-assessable.

Preferred Stock

After the completion of this offering, no shares of our preferred stock will be outstanding. Pursuant to our certificate of incorporation, our Board will have the authority, without further action by the stockholders, to issue from time to time shares of preferred stock in one or more series. Our Board may designate the rights, preferences, privileges and restrictions of the preferred stock, including dividend rights, conversion rights, voting rights, redemption rights, liquidation preference, sinking fund terms, and the number of shares constituting any series or the designation of any series. The issuance of preferred stock could have the effect of restricting dividends on our common stock, diluting the voting power of our common stock, impairing the liquidation rights of our common stock, or delaying, deterring or preventing a change in control. Such issuance could have the effect of decreasing the market price of our common stock. Any preferred stock so issued may rank senior to our common stock with respect to the payment of dividends or amounts upon liquidation, dissolution or winding up, or both. We currently have no plans to issue any shares of preferred stock.

Anti-Takeover Provisions in Our Certificate of Incorporation and Bylaws

Certain provisions of our certificate of incorporation and bylaws that will be effective as of the completion of this offering may have the effect of delaying, deferring or discouraging another person from attempting to acquire control of us. These provisions, which are summarized below, may discourage takeovers, coercive or otherwise. These provisions are also geared, in part, towards encouraging persons seeking to acquire control of us to negotiate first with our Board. We believe that the benefits of increased protection of our potential ability to negotiate with an unfriendly or unsolicited acquirer outweigh the disadvantages of discouraging a proposal to acquire us because negotiation of these proposals could result in an improvement of their terms.

Stockholder Action; Special Meeting of Stockholders. Pursuant to Section 228 of the Delaware General Corporation Law (the "**DGCL**"), any action required to be taken at any annual or special meeting of the stockholders may be taken without a meeting, without prior notice and without a vote if a consent or consents in writing, setting forth the action so taken, is signed by the holders of outstanding stock having not less than the minimum number of votes that would be necessary to authorize or take such action at a meeting at which all shares of our stock entitled to vote thereon were present and voted, unless our certificate of incorporation provides otherwise. Our certificate of incorporation will provide that our stockholders may not take action by written consent but may only take action at annual or special meetings of our stockholders. As a result, a holder controlling a majority of our capital stock would not be able to amend our bylaws or remove directors without holding a meeting of our stockholders called in accordance with our bylaws. Our certificate of incorporation will provide that special meetings of the stockholders may be called only upon a resolution approved by a majority of the total number of directors that we would have if there were no vacancies, the Chair of our Board, the Chief Executive Officer or the President. These provisions might delay the ability of our stockholders to force consideration of a proposal or for stockholders controlling a majority of our capital stock to take any action, including the removal of directors.

Advance Notice Requirements for Stockholder Proposals and Director Nominations. Our bylaws will provide advance notice procedures for stockholders seeking to bring business before our annual meeting of stockholders or to nominate candidates for election as directors at our annual meeting of stockholders. Our bylaws will specify certain requirements regarding the form and content of a stockholder's notice. Our bylaws will prohibit the conduct of any business at a special meeting other than as specified in the notice for such meeting. Our bylaws will also provide that nominations of persons for election to our Board may be made at a special meeting of stockholders at which directors are to be elected pursuant to the notice of meeting (i) by or at the direction of our Board or (ii)

provided that our Board has determined that directors shall be elected at such meeting, by any stockholder who (a) is a stockholder of record both at the time the notice is delivered and on the record date for the determination of stockholders entitled to vote at the special meeting, (b) is entitled to vote at the meeting and upon such election and (c) complies with the notice procedures set forth in our bylaws. These provisions might preclude our stockholders from bringing matters before our annual meeting of stockholders or from making nominations for directors at our annual meeting of stockholders if the proper procedures are not followed. We expect that these provisions may also discourage or deter a potential acquirer from conducting a solicitation of proxies to elect the acquirer's own slate of directors or otherwise attempting to obtain control of our company.

No Cumulative Voting. The DGCL provides that stockholders are not entitled to cumulate votes in the election of directors unless a corporation's certificate of incorporation provides otherwise. Our certificate of incorporation will not provide for cumulative voting.

Additional Authorized Shares of Capital Stock. The additional shares of authorized common stock and preferred stock available for issuance under our certificate of incorporation, could be issued at such times, under such circumstances and with such terms and conditions as to impede a change in control.

Issuance of Undesignated Preferred Stock. Our Board will have the authority, without further action by our stockholders, to designate and issue shares of preferred stock with rights and preferences, including super voting, special approval, dividend or other rights or preferences on a discriminatory basis. The existence of authorized but unissued shares of undesignated preferred stock would enable our Board to render more difficult or to discourage an attempt to obtain control of us by means of a merger, tender offer, proxy contest or other means.

Business Combinations with Interested Stockholders. We have elected in our certificate of incorporation to be subject to Section 203 of the DGCL, an anti-takeover law. In general, Section 203 prohibits a publicly held Delaware corporation from engaging in a business combination, such as a merger, with an interested stockholder (i.e., a person or group owning 15% or more of the corporation's voting capital stock) for a period of three years following the date the person became an interested stockholder, unless (with certain exceptions) the business combination or the transaction in which the person became an interested stockholder is approved in a prescribed manner. Accordingly, we are subject to any anti-takeover effects of Section 203 of the DGCL.

Dual-class Stock Structure. Our certificate of incorporation provides for a dual-class common stock structure. As a result of this structure, our founders will have significant influence over all matters requiring stockholder approval, including the election of directors, amendments to our charter documents and significant corporate transactions, such as a merger or other sale of our company or its assets. This concentrated control could discourage others from initiating any potential merger, takeover or other change of control transaction that other stockholders may view as beneficial.

Choice of Forum

Our certificate of incorporation and bylaws, which will become effective prior to the completion of this offering, provide that, unless we consent to the selection of an alternative forum, the Court of Chancery of the State of Delaware is the sole and exclusive forum for (i) any derivative action or proceeding brought on our behalf, (ii) any action asserting a claim of breach of fiduciary duty owed by any of our directors, officers or other employees to us or to our stockholders, (iii) any action asserting a claim arising pursuant to the Delaware General Corporation Law or our certificate of incorporation or bylaws, (iv) any action to interpret apply, enforce or determine the validity of our certificate of incorporation or bylaws, or (v) any action asserting a claim governed by the internal affairs doctrine.

This exclusive forum provision would not apply to suits brought to enforce any liability or duty created by the Securities Act or the Exchange Act or any other claim for which the federal courts have exclusive jurisdiction. Our bylaws provide that, unless we consent in writing to the selection of an alternative forum, the federal district courts of the United States of America shall be the exclusive forum for the resolution of any complaint asserting a cause of action arising under the Securities Act or the Exchange Act.

The choice of forum provisions above may limit a stockholder's ability to bring a claim in a judicial forum that it finds favorable for disputes with us or our directors, officers or other employees or could result in increased costs for a stockholder to bring a claim, both of which may discourage such lawsuits against us and our directors, officers and other employees. Alternatively, if a court were to find the choice of forum provision contained in our certificate of incorporation to be inapplicable or unenforceable in an action, we may incur additional costs associated with resolving such action in other jurisdictions, which could harm our business, operating results and financial condition.

Transfer Agent

The transfer agent for our Class A common stock is expected to be Odyssey Trust Company.

Trading Symbol and Market

We have applied to list our Class A common stock on the CSE and to have our Class A common stock quoted on the OTCQX. The listing and quotation of our Class A common stock will be subject to us fulfilling all of the listing requirements of the CSE and the OTCQX, respectively.

SHARES ELIGIBLE FOR FUTURE SALE

Prior to the completion of this offering, there has been no established public trading market for shares of our common equity. Future sales of shares of our Class A common stock in the public market after this offering, or the perception that these sales may occur, could adversely affect the prevailing market price at such time and our ability to raise equity capital in the future.

Following the completion of this offering, based on the number of shares of our Class A common stock outstanding as of , as if the Conversion occurred on , a total of shares of our Class A common stock will be outstanding. Of these shares, all shares of our Class A common stock sold in this offering by us will be eligible for sale in the public market without restriction under the Securities Act, except that any shares of our common stock purchased in this offering by our "affiliates," as that term is defined in Rule 144 under the Securities Act, would only be able to be sold in compliance with the conditions of Rule 144 described below. However, we intend to enter into a registration rights agreement with AGP that will require us to register certain shares of Class A common stock, subject to certain conditions. See "*Certain Relationships and Related Transactions — Registration Rights Agreement.*"

The remaining shares of our Class A common stock will be deemed "restricted securities," as that term is defined in Rule 144 under the Securities Act. These restricted securities will be eligible for sale in the public market only if they are registered or if they qualify for an exemption from registration under Rule 144 or Rule 701 under the Securities Act, which rules are summarized below. Subject to the lock-up agreements described below, the applicable conditions of Rule 144 or Rule 701, and our insider trading policy, these restricted securities will be eligible for sale in the public market from time to time beginning 181 days after the date of this prospectus.

Lock-Up Agreements

We, our executive officers and directors and certain stockholders will have entered into lock-up agreements immediately prior to this offering with the underwriters of this offering under which we and they have agreed that, subject to certain exceptions, without the prior written consent of Canaccord Genuity LLC, we and they will not dispose of or hedge any shares or any securities convertible into or exchangeable for shares of our Class A common stock for an initial period ending 180 days after the date of the underwriting agreement and an additional period beginning 180 days from the date of the underwriting agreement until the date that is 360 days after the date of the underwriting agreement. The consent of Canaccord Genuity LLC is required to release any of the securities subject to these lock-up agreements. See the section titled "*Underwriters*."

Pursuant to Canadian National Policy 46-201 - *Escrow for Initial Public Offerings*, we are an "exempt issuer" as defined therein and are thus not subject to escrow.

Registration Rights Agreement

We intend to enter into a Registration Rights Agreement with AGP in connection with this offering. The Registration Rights Agreement will provide AGP certain registration rights whereby, following our initial public offering and the expiration of any related lock-up period, AGP can require us to register under the Securities Act shares of Class B common stock once converted to Class A common stock. The Registration Rights Agreement will also provide for piggyback registration rights for AGP. See "*Certain Relationships and Related Transactions — Registration Rights Agreement*."

Rule 144

In general, under Rule 144, as currently in effect, once we have been subject to the public company reporting requirements of the Exchange Act, for at least 90 days, a person (or persons whose common shares are required to be aggregated) who is not deemed to have been one of our "affiliates" for purposes of Rule 144 at any time during the three months preceding a sale, and who has beneficially owned restricted securities within the meaning of Rule 144 for at least six months, including the holding period of any prior owner other than one of our "affiliates," is

entitled to sell those shares in the public market (subject to the lock-up agreement referred to below, if applicable) without complying with the manner of sale, volume limitations or notice provisions of Rule 144, but subject to compliance with the public information requirements of Rule 144. If such a person has beneficially owned the shares proposed to be sold for at least one year, including the holding period of any prior owner other than "affiliates," then such person is entitled to sell such shares in the public market without complying with any of the requirements of Rule 144 (subject to the lock-up agreement referred to below, if applicable). In general, under Rule 144, as currently in effect, once we have been subject to the public company reporting requirements of the Exchange Act for at least 90 days, our "affiliates," as defined in Rule 144, who have beneficially owned the shares of Class A common stock proposed to be sold for at least six months are entitled to sell in the public market, upon expiration of any applicable lock-up agreements and within any three-month period, a number of those shares of our Class A common stock that does not exceed the greater of:

- 1% of the aggregate number of shares of our capital stock then outstanding, which will equal shares of Class A common stock immediately after the completion of this offering; or
- the average weekly trading volume of our Class A common stock during the four calendar weeks preceding the filing of a notice on Form 144 with respect to such sale.

Sales of our Class A common stock made in reliance upon Rule 144 by a stockholder who is deemed to have been one of our affiliates at any time during the preceding 90 days are also subject to the current public information, manner of sale and notice conditions of Rule 144.

Rule 701

Rule 701 generally provides that, once we have been subject to the public company reporting requirements of Section 13 or Section 15(d) of the Exchange Act for at least 90 days, (i) a stockholder who purchased shares of our Class A common stock pursuant to a written compensatory benefit plan or contract and who is not deemed to have been one of our affiliates at any time during the preceding 90 days may sell such shares in reliance upon Rule 144 without complying with the current public information or holding period conditions of Rule 144 and (ii) a stockholder who purchased shares of our Class A common stock pursuant to a written compensatory benefit plan or contract and who is deemed to have been one of our affiliates during the preceding 90 days may sell such shares under Rule 144 without complying with the holding period condition of Rule 144.

Equity Incentive Plans

We intend to file one or more registration statements on Form S-8 under the Securities Act to register the offer and sale of all shares of Class A common stock subject to outstanding stock options, and Class A common stock issued or issuable under our 2020 Incentive Plan. We expect to file the registration statement covering shares offered pursuant to our 2020 Incentive Plan after the date of this prospectus, permitting the resale of such shares by non-affiliates in the public market without restriction under the Securities Act and the sale by affiliates in the public market subject to compliance with the resale provisions of Rule 144 and any lock up agreements entered into in connection with this offering.

MATERIAL U.S. FEDERAL INCOME TAX CONSEQUENCES

The following is a discussion of certain material U.S. federal income tax considerations applicable to a Non-U.S. Holder (as defined below) with respect to the ownership and disposition of shares of our Class A common stock. For purposes of this discussion, the term "**Non-U.S. Holder**" means a beneficial owner of shares of our Class A common stock that is treated for U.S. federal income tax purposes as an individual, corporation, estate or trust, other than:

- an individual who is a citizen or resident of the United States;
- a corporation created or organized in or under the laws of the United States, any state thereof or the District of Columbia;
- an estate, the income of which is subject to U.S. federal income tax regardless of its source; or
- a trust that (1) is subject to the primary supervision of a U.S. court and the control of one or more "United States persons" (within the meaning of Section 7701(a)(30) of the Code) or (2) has a valid election in effect to be treated as a United States person for U.S. federal income tax purposes.

If a partnership (or an entity treated as a partnership for U.S. federal income tax purposes) holds shares of our Class A common stock, the tax treatment of a person treated as a partner of such partnership generally will depend on the status of the partner, the activities of the partnership and certain determinations made at the partner level. Persons that, for U.S. federal income tax purposes, are treated as partners in a partnership holding shares of our Class A common stock should consult their own tax advisors.

This discussion only addresses beneficial owners that are Non-U.S. Holders of shares of our Class A common stock that hold such shares of our Class A common stock as a capital asset within the meaning of Section 1221 of the Code (generally, property held for investment). This discussion does not address all aspects of U.S. federal income taxation that may be important to a Non-U.S. Holder in light of such Non-U.S. Holder's particular circumstances or that may be applicable to Non-U.S. Holders subject to special treatment under U.S. federal income tax law (including, for example, financial institutions, regulated investment companies, real estate investment trusts, dealers in securities, traders in securities that elect mark-to-market treatment, insurance companies, tax-exempt entities, Non-U.S. Holders who acquire our Class A common stock pursuant to the exercise of employee stock options or otherwise as compensation for their services, Non-U.S. Holders liable for the alternative minimum tax, controlled foreign corporations, passive foreign investment companies, former citizens or former long-term residents of the United States, persons subject to special tax accounting rules, partnerships or other pass-through entities, persons deemed to sell our Class A common stock under the constructive sale provisions of the Code, and Non-U.S. Holders that hold our Class A common stock as part of a hedge, straddle, constructive sale, conversion or other integrated transaction). In addition, this discussion does not address U.S. federal tax laws other than those pertaining to U.S. federal income tax (such as U.S. federal estate or gift tax or the federal net investment income tax), nor does it address any aspects of U.S. state, local or non-U.S. taxes. Non-U.S. Holders are urged to consult with their own tax advisors regarding the possible application of these taxes. Except as discussed below, this summary does not address tax reporting requirements.

The following discussion is based upon current provisions of the Code, U.S. judicial decisions, administrative pronouncements and Treasury regulations, all as in effect and applicable as of the date hereof. All of the preceding authorities are subject to change at any time, possibly with retroactive effect, so as to result in U.S. federal income tax consequences different from those discussed below. We have not requested, and will not request, a ruling from the IRS with respect to any of the U.S. federal income tax consequences described below, and as a result there can be no assurance that the IRS will not disagree with or challenge any of the conclusions we have reached and describe herein.

Prospective purchasers are urged to consult their own tax advisors as to the particular consequences to them under U.S. federal, state and local, and applicable foreign tax laws of the acquisition, ownership and disposition of our Class A common stock.

Distributions

Although we do not anticipate that we will make any distributions on our Class A common stock in the foreseeable future, distributions of cash or property that we pay in respect of our Class A common stock will constitute dividends for U.S. federal income tax purposes to the extent paid from our current or accumulated earnings and profits as determined under U.S. federal income tax principles. Subject to the discussions below under "—U.S. Trade or Business Income," "—Information Reporting and Backup Withholding" and "—FATCA," you generally will be subject to U.S. federal withholding tax at a 30% rate, or at a reduced rate prescribed by an applicable income tax treaty, on any dividends received in respect of our Class A common stock. If the amount of the distribution exceeds our current and accumulated earnings and profits, such excess will first be treated as a return of capital to the extent of your tax basis in our Class A common stock, and thereafter will be treated as capital gain. However, we (or the paying agent or other intermediary through which you hold your Class A common stock) may be required to withhold on the entire distribution, in which case you would be entitled to a refund from the IRS for the withholding tax on the portion of the distribution that exceeded our current and accumulated earnings and profits.

In order to obtain a reduced rate of U.S. federal withholding tax under an applicable income tax treaty, you will be required to provide a properly executed IRS Form W-8BEN or Form W-8BEN-E (or, in each case, a successor form) certifying your entitlement to benefits under the treaty. If you are eligible for a reduced rate of U.S. federal withholding tax under an applicable income tax treaty, you may generally obtain a refund or credit of any excess amounts withheld by filing an appropriate and timely claim for a refund with the IRS. You should consult your own tax advisor regarding your possible entitlement to benefits under an applicable income tax treaty.

Sale, Exchange or Other Taxable Disposition of Class A Common Stock

Subject to the discussions below under "—U.S. Trade or Business Income," "—Information Reporting and Backup Withholding" and "—FATCA," you generally will not be subject to U.S. federal income or withholding tax in respect of any gain on a sale, exchange or other taxable disposition of our Class A common stock unless:

- the gain is U.S. trade or business income (as defined below), in which case, such gain will be taxed as described in "U.S. Trade or Business Income" below;
- you are an individual who is present in the United States for 183 or more days in the taxable year of the disposition and certain other conditions are met, in which case you will be subject to U.S. federal income tax at a rate of 30% (or a reduced rate under an applicable income tax treaty) on the amount by which certain capital gains allocable to U.S. sources exceed certain capital losses allocable to U.S. sources; or
- we are or have been a "United States real property holding corporation" (a "**USRPHC**") under Section 897 of the Code at any time during the shorter of the five-year period ending on the date of the disposition and your holding period for the Class A common stock, in which case, subject to the exception set forth in the second sentence of the next paragraph, such gain will be subject to U.S. federal income tax in the same manner as U.S. trade or business income discussed below.

In general, a corporation is a USRPHC if the fair market value of its "United States real property interests" equals or exceeds 50% of the sum of the fair market value of its worldwide real property interests and its other assets used or held for use in a trade or business. In the event that we are determined to be a USRPHC, gain will not be subject to tax as U.S. trade or business income if your holdings (actually and constructively) at all times during the applicable period described in the third bullet point above constituted 5% or less of our common stock, provided that our Class A common stock was regularly traded on an established securities market during such period under the rules set forth in the Treasury regulations. We believe that we are not currently, and we do not anticipate becoming in the future, a USRPHC for U.S. federal income tax purposes. We have applied to list our Class A common stock on the CSE. Accordingly, we anticipate that our Class A common stock will be regularly traded on an established securities market following this offering. However, we can provide no assurances that the Class A common stock will be regularly traded on an established securities market at the time at the time a Non-U.S. Holder sells, exchanges or otherwise disposes of shares of Class A common stock. Listing of our Class A common stock will be subject to us fulfilling all of the listing requirements of the CSE.

U.S. Trade or Business Income

For purposes of this discussion, dividend income and gain on the sale, exchange or other taxable disposition of our Class A common stock will be considered to be "U.S. trade or business income" if (i) such income or gain is effectively connected with your conduct of a trade or business within the United States and (ii) if you are eligible for the benefits of an income tax treaty with the United States and, if such treaty requires, such gain is attributable to a permanent establishment (or, if you are an individual, a fixed base) that you maintain in the United States. Generally, U.S. trade or business income is not subject to U.S. federal withholding tax (provided that you comply with applicable certification and disclosure requirements, including providing a properly executed IRS Form W-8ECI (or successor form)); instead, you are subject to U.S. federal income tax on a net basis at regular U.S. federal income tax rates (generally in the same manner as a U.S. person) on your U.S. trade or business income. If you are a corporation, any U.S. trade or business income that you receive may also be subject to a "branch profits tax" at a 30% rate, or at a lower rate prescribed by an applicable income tax treaty.

Information Reporting and Backup Withholding

We must annually report to the IRS and to each Non-U.S. Holder any dividend income that is subject to U.S. federal withholding tax or that is exempt from such withholding pursuant to an income tax treaty. Copies of these information returns may also be made available under the provisions of a specific treaty or agreement to the tax authorities of the country in which a Non-U.S. Holder resides. Under certain circumstances, the Code imposes a backup withholding obligation on certain reportable payments. Dividends paid to you will generally be exempt from backup withholding if you provide a properly executed IRS Form W-8BEN, Form W-8BEN-E or Form W-8ECI (or, in each case, a successor form) or otherwise establish an exemption and we do not have actual knowledge or reason to know that you are a U.S. person or that the conditions of such other exemption are not, in fact, satisfied.

The payment of the proceeds from the disposition of our Class A common stock to or through the U.S. office of any broker (U.S. or non-U.S.) will be subject to information reporting and possible backup withholding unless you certify as to your non-U.S. status under penalties of perjury or otherwise establish an exemption and the broker does not have actual knowledge or reason to know that you are a U.S. person or that the conditions of any other exemption are not, in fact, satisfied. The payment of proceeds from the disposition of our Class A common stock to or through a non-U.S. office of a non-U.S. broker will not be subject to information reporting or backup withholding unless the non-U.S. broker has certain types of relationships with the United States (a "U.S. related financial intermediary"). In the case of the payment of proceeds from the disposition of our Class A common stock to or through a non-U.S. office of a broker that is either a U.S. person or a U.S. related financial intermediary, the Treasury regulations require information reporting (but not backup withholding) on the payment unless the broker has documentary evidence in its files that the owner is not a U.S. person and the broker has no knowledge to the contrary. You are urged to consult your own tax advisor on the application of information reporting and backup withholding in light of your particular circumstances.

Backup withholding is not an additional tax. Any amounts withheld under the backup withholding rules from a payment to you will be refunded or credited against your U.S. federal income tax liability, if any, provided that the required information is timely furnished to the IRS.

FATCA

Pursuant to Section 1471 through 1474 of the Code, commonly referred to as the Foreign Account Tax Compliance Act ("**FATCA**"), foreign financial institutions (which include most foreign hedge funds, private equity funds, mutual funds, securitization vehicles and any other investment vehicles) and certain other foreign entities that do not otherwise qualify for an exemption must comply with information reporting rules with respect to their U.S. account holders and investors or be subject to a withholding tax on U.S. source payments made to them (whether received as a beneficial owner or as an intermediary for another party).

More specifically, a foreign financial institution or other foreign entity that does not comply with the FATCA reporting requirements or otherwise qualify for an exemption will generally be subject to a 30% withholding tax

with respect to any "withholdable payments." For this purpose, withholdable payments generally include U.S.-source payments otherwise subject to nonresident withholding tax (e.g., U.S.-source dividends). While withholding under FATCA would have also applied to payments of gross proceeds from the sale or other disposition of shares of our Class A common stock, recently proposed Treasury regulations eliminate FATCA withholding on payments of gross proceeds. The preamble to these proposed regulations indicates that taxpayers may rely on them pending their finalization. The FATCA withholding tax will apply to all withholdable payments without regard to whether the beneficial owner of the payment would otherwise be entitled to an exemption from imposition of withholding tax pursuant to an applicable income tax treaty with the United States or U.S. domestic law. We will not pay additional amounts to holders of our Class A common stock in respect of amounts withheld. Foreign financial institutions located in jurisdictions that have an intergovernmental agreement with the United States governing FATCA may be subject to different rules.

FATCA currently applies to dividends made in respect of our Class A common stock. To avoid withholding on dividends, Non-U.S. Holders may be required to provide us (or our withholding agents) with applicable tax forms or other information. Non-U.S. Holders are urged to consult with their own tax advisors regarding the effect, if any, of the FATCA provisions to them based on their particular circumstances.

UNDERWRITERS

We are offering the shares of Class A common stock described in this prospectus through a number of underwriters. Canaccord Genuity LLC is acting as the representative of the underwriters. We have entered into an underwriting agreement with the underwriters. Subject to the terms and conditions of the underwriting agreement, we have agreed to sell to the underwriters, and each underwriter has severally agreed to purchase from us, at the public offering price less the underwriting discounts and commissions set forth on the cover page of this prospectus, the number of shares of Class A common stock listed next to its name in the following table:

Name	Number of Shares
Canaccord Genuity LLC	
Total	

The offering is being made in the United States and in each of the Provinces of Canada (other than Quebec). The shares of Class A common stock will be offered in the United States through certain of the underwriters listed above, either directly or indirectly, through their respective U.S. broker-dealer affiliates or agents and in each of the provinces of Canada (other than Quebec) through those underwriters or their affiliates who are registered to offer the Class A common Stock for sale in such provinces and such other registered dealers as may be designated by the underwriters. Sales of shares made outside of the United States and Canada may be made by affiliates of the underwriters.

The underwriters are committed to purchase all the shares of Class A common stock offered by us. The underwriting agreement also provides that if an underwriter defaults, the purchase commitments of non-defaulting underwriters may also be increased or the offering may be terminated.

Before this offering, there has been no public market for our Class A common stock. The initial public offering price will be determined through negotiations between us and the representatives. In addition to prevailing market conditions, the factors to be considered in determining the initial public offering price are:

- the valuation multiples of publicly traded companies that the representatives believe to be comparable to us,
- our financial information,
- the history of, and the prospects for, our Company and the industry in which we compete,
- an assessment of our management, its past and present operations, and the prospects for, and timing of, our future revenues,
- the present state of our development, and
- the above factors in relation to market values and various valuation measures of other companies engaged in activities similar to ours.

An active trading market for the common shares may not develop. It is also possible that after the offering the common shares will not trade in the public market at or above the initial public offering price.

The underwriters have an option to buy up to additional shares of Class A common stock from us to cover sales of shares by the underwriters which exceed the number of shares specified in the table above. The underwriters have 30 days from the date of this prospectus to exercise this option to purchase additional shares. If any shares are purchased with this option to purchase additional shares, the underwriters will purchase shares in approximately the same proportion as shown in the table above. If any additional shares of Class A common stock are purchased, the underwriters will offer the additional shares on the same terms as those on which the shares are being offered.

The underwriting fee is equal to the public offering price per share of Class A common stock less the amount paid by the underwriters to us per share of Class A common stock. The underwriting fee is $ per share. The following table shows the per share and total underwriting discounts and commissions to be paid to the underwriters by us assuming both no exercise and full exercise of the underwriters' option to purchase additional shares. We have agreed to reimburse the underwriters for certain of their expenses in an amount up to $ as set forth in the underwriting agreement.

		Total	
	Per Share	**No Exercise**	**Full Exercise**
Price to public			
Underwriting discounts and commissions paid by us			
Proceeds, before expenses, to us			

We estimate that the total expenses of this offering, including registration, filing fees, printing fees and legal and accounting expenses, but excluding the underwriting discounts and commissions, will be approximately $ million.

A prospectus in electronic format may be made available on the web sites maintained by one or more underwriters participating in the offering. The underwriters may agree to allocate a number of shares to underwriters for sale to their online brokerage account holders. Internet distributions will be allocated by the representatives to underwriters that may make internet distributions on the same basis as other allocations.

We have agreed, subject to certain limited exceptions, not to (1) offer, pledge, announce the intention to sell, sell, 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 dispose of, directly or indirectly, or file or confidentially submit with the SEC a registration statement under the Securities Act relating to, any shares of our Class A common stock or securities convertible into or exchangeable or exercisable for any shares of our Class A common stock, or publicly disclose the intention to make any offer, sale, pledge, disposition or filing, (2) enter into any swap or other arrangement that transfers all or a portion of the economic consequences associated with the ownership of any shares of Class A common stock or any such other securities (regardless of whether any of these transactions are to be settled by the delivery of shares of Class A common stock or such other securities, in cash or otherwise), or (3) make any public announcement of its intention to do any of the foregoing, in each case without the prior written consent of Canaccord Genuity LLC for a period of 180 days after the date of this prospectus.

Our directors, officers and certain of our stockholders have entered into lock-up agreements with the underwriters prior to the commencement of this offering pursuant to which each of these persons or entities, with limited exceptions, for an initial period ending 180 days after the date of the underwriting agreement and an additional period beginning 180 days from the date of the underwriting agreement until the date that is 360 days after the date of the underwriting agreement, may not, without the prior written consent of Canaccord Genuity LLC (A) directly or indirectly, offer, issue, secure, pledge, announce the intention to sell, sell, 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, dispose of or monetize, or engage in any hedging transaction with respect to any shares of the Class A common stock or any securities convertible into or exercisable or exchangeable for Class A common stock (including, without limitation, Class A common stock or such other securities which may be deemed to be beneficially owned by the undersigned in accordance with the rules and regulations of the SEC and the Ontario Securities Commission and securities which may be issued upon exercise of a stock option or warrant), whether now owned or hereafter acquired by the undersigned or with respect to which the undersigned has or hereafter acquires the power of disposition (collectively, the "**Lock-Up Securities**"), or exercise any right with respect to the registration of any of the Lock-Up Securities, or file, cause to be filed or cause to be confidentially submitted any registration statement in connection therewith with the SEC, or any prospectus in connection therewith with any Canadian regulatory authorities or (B) enter into any swap or any other agreement or any transaction that transfers, in whole or in part, directly or indirectly, the consequence of which is to alter economic exposure to, or announce

any intention to do so, in any manner whatsoever, the Lock-Up Securities, whether any such swap or transaction is to be settled by delivery of Class A common stock or other securities, in cash or otherwise. See the section captioned "*Shares Eligible For Future Sale—Lock-up Agreements*."

We have agreed to indemnify the several underwriters against certain liabilities, including liabilities under the Securities Act. We have also agreed to reimburse the underwriters for certain of their expenses.

In connection with this offering, the underwriters may engage in stabilizing transactions, which involves making bids for, purchasing and selling shares of Class A common stock in the open market for the purpose of preventing or retarding a decline in the market price of the Class A common stock while this offering is in progress. These stabilizing transactions may include making short sales of the Class A common stock, which involves the sale by the underwriters of a greater number of shares of Class A common stock than they are required to purchase in this offering, and purchasing shares of Class A common stock on the open market to cover positions created by short sales. Short sales may be "covered" shorts, which are short positions in an amount not greater than the underwriters' option to purchase additional shares referred to above, or may be "naked" shorts, which are short positions in excess of that amount. The underwriters may close out any covered short position either by exercising their option to purchase additional shares, in whole or in part, or by purchasing shares in the open market. In making this determination, the underwriters will consider, among other things, the price of shares available for purchase in the open market compared to the price at which the underwriters may purchase shares through the option to purchase additional shares. A naked short position is more likely to be created if the underwriters are concerned that there may be downward pressure on the price of the Class A common stock in the open market that could adversely affect investors who purchase in this offering. To the extent that the underwriters create a naked short position, they will purchase shares in the open market to cover the position.

The underwriters have advised us that, pursuant to Regulation M of the Securities Act, they may also engage in other activities that stabilize, maintain or otherwise affect the price of the Class A common stock, including the imposition of penalty bids. This means that if the representatives of the underwriters purchase Class A common stock in the open market in stabilizing transactions or to cover short sales, the representatives can require the underwriters that sold those shares as part of this offering to repay the underwriting discount received by them.

These activities may have the effect of raising or maintaining the market price of the Class A common stock or preventing or retarding a decline in the market price of the Class A common stock, and, as a result, the price of the Class A common stock may be higher than the price that otherwise might exist in the open market. If the underwriters commence these activities, they may discontinue them at any time. The underwriters may carry out these transactions on the , in the over-the-counter market or otherwise.

The underwriters and their respective affiliates are full service financial institutions engaged in various activities, which may include sales and trading, commercial and investment banking, advisory, investment management, investment research, principal investment, hedging, market making, brokerage, and other financial and non-financial activities and services. Certain of the underwriters and their affiliates have provided in the past to us and our affiliates and may provide from time to time in the future certain commercial banking, financial advisory, investment banking and other services for us and such affiliates in the ordinary course of their business, for which they have received and may continue to receive customary fees and commissions. In addition, from time to time, certain of the underwriters and their affiliates may effect transactions for their own account or the account of customers, and hold on behalf of themselves or their customers, long or short positions in our debt or equity securities or loans, and may do so in the future.

In the ordinary course of their various business activities, the underwriters and their respective affiliates, officers, directors and employees may purchase, sell or hold a broad array of investments and actively trade securities, derivatives, loans, commodities, currencies, credit default swaps and other financial instruments for their own account and for the accounts of their customers, and such investment and trading activities may involve or relate to assets, securities and/or instruments of the issuer (directly, as collateral securing other obligations or otherwise) and/or persons and entities with relationships with us. The underwriters and their respective affiliates may also communicate independent investment recommendations, market color or trading ideas and/or publish or

express independent research views in respect of such assets, securities or instruments and may at any time hold, or recommend to clients that they should acquire, long and/or short positions in such assets, securities and instruments.

Selling Restrictions

Other than in the U.S. or Canada, no action has been taken by us or the underwriters that would permit a public offering of the shares offered by this prospectus in any jurisdiction where action for that purpose is required. The shares offered by this prospectus may not be offered or sold, directly or indirectly, nor may this prospectus or any other offering material or advertisements in connection with the offer and sale of any such shares be distributed or published in any jurisdiction, except under circumstances that will result in compliance with the applicable rules and regulations of that jurisdiction. Persons into whose possession this prospectus comes are advised to inform themselves about and to observe any restrictions relating to the offering and the distribution of this prospectus. This prospectus does not constitute an offer to sell or a solicitation of an offer to buy any shares offered by this prospectus in any jurisdiction in which such an offer or a solicitation is unlawful.

Notice to Prospective Investors in the European Economic Area

In relation to each Member State of the European Economic Area which has implemented the Prospectus Regulation, or a Relevant Member State, with effect from and including the date on which the Prospectus Regulation is implemented in that Relevant Member State, no offer of shares offered by this prospectus may be made to the public in that Relevant Member State other than:

- to any legal entity which is a qualified investor as defined in Article 2(E) of the Prospectus Regulation;
- to fewer than 150 natural or legal persons (other than qualified investors as defined in Article 2(E) of the Prospectus Regulation), subject to obtaining the prior consent of the underwriters; or
- in any other circumstances falling within Article 1(4) of the Prospectus Regulation,

provided that no such offer of shares shall require us or any underwriter to publish a prospectus pursuant to Article 3 of the Prospectus Regulation and each person who initially acquires any shares or to whom any offer is made will be deemed to have represented, acknowledged and agreed to and with us and each of the underwriters that it is a "qualified investor" within the meaning of the law in that Relevant Member State implementing Article 2(e) of the Prospectus Regulation.

In the case of any shares being offered to a financial intermediary as that term is used in Article 5(1) of the Prospectus Regulation, each such financial intermediary will be deemed to have represented, acknowledged, and agreed that the shares acquired by it in the offer have not been acquired on a non-discretionary basis on behalf of, nor have they been acquired with a view to their offer or resale to, persons in circumstances which may give rise to an offer of any shares to the public other than their offer or resale in a Relevant Member State to qualified investors as so defined or in circumstances in which the prior consent of the representatives has been obtained to each such proposed offer or resale.

For the purposes of this provision, the expression an "offer of shares to the public" in relation to any shares in any Relevant Member State means the communication in any form and by means of sufficient information on the terms of the offer and the shares to be offered so as to enable an investor to decide to purchase shares, as the same may be varied in that Member State by any measure implementing the Prospectus Regulation in that Member State and the expression "Prospectus Regulation" means Regulation (EU) 2017/1129 (as amended) and includes any relevant implementing measure in the Relevant Member State.

Notice to Prospective Investors in the United Kingdom

In addition, in the United Kingdom, this document is being distributed only to, and is directed only at, and any offer subsequently made may only be directed at persons who are "qualified investors" (as defined in the Prospectus Regulation) (i) who have professional experience in matters relating to investments and are investment professionals falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (the "**Order**"), and/or (ii) who are high net worth companies or unincorporated associations (or persons to

whom it may otherwise be lawfully communicated) falling within Article 49(2)(a) to (d) of the Order (all such persons together being referred to as "relevant persons") or otherwise in circumstances which have not resulted and will not result in an offer of transferable securities to the public in the United Kingdom within the meaning of section 102B of the Financial Services and Markets Act 2000 ("**FSMA**").

Any person in the United Kingdom that is not a relevant person should not act or rely on the information included in this document or use it as basis for taking any action. In the United Kingdom, any investment or investment activity that this document relates to may be made or taken exclusively by relevant persons.

All applicable provisions of FSMA must be complied with in respect of anything done by any person in relation to the shares offered by this prospectus in, from or otherwise involving the United Kingdom. It is the responsibility of all persons under whose control or into whose possession this document comes to inform themselves about and to ensure observance of all applicable provisions of FSMA in respect of anything done in relation to the shares offered by this prospectus in, from or otherwise involving, the United Kingdom.

This prospectus does not contain an offer or constitute any part of an offer to the public in the United Kingdom within the meaning of sections 85 and 102B of FSMA or otherwise. This prospectus is not an "approved prospectus" within the meaning of Section 85(7) of FSMA and has not been prepared in accordance with the prospectus regulation rules (the "**Prospectus Regulation Rules**") contained in the Financial Conduct Authority ("FCA") handbook published and updated from time to time by the FCA (acting in its capacity as the United Kingdom Listing Authority). A copy of this prospectus has not been, and will not be, delivered to the FCA in accordance with the Prospectus Regulation Rules or delivered to any other authority which could be a competent authority for the purpose of the Prospectus Regulation and its contents have not been examined or approved by the FCA or London Stock Exchange plc and it has not been approved by an "authorised person" for the purposes of Section 21 of FSMA.

Notice to Prospective Investors in Switzerland

The shares may not be publicly offered in Switzerland and will not be listed on the SIX Swiss Exchange, or the SIX, or on any other stock exchange or regulated trading facility in Switzerland. This document does not constitute a prospectus within the meaning of, and has been prepared without regard to the disclosure standards for issuance prospectuses under art. 652a or art. 1156 of the Swiss Code of Obligations or the disclosure standards for listing prospectuses under art. 27 ff. of the SIX Listing Rules or the listing rules of any other stock exchange or regulated trading facility in Switzerland. Neither this document nor any other offering or marketing material relating to the shares or the offering may be publicly distributed or otherwise made publicly available in Switzerland.

Neither this document nor any other offering or marketing material relating to the offering, us, or the shares have been or will be filed with or approved by any Swiss regulatory authority. In particular, this document will not be filed with, and the offer of shares will not be supervised by, the Swiss Financial Market Supervisory Authority, or FINMA, and the offer of shares has not been and will not be authorized under the Swiss Federal Act on Collective Investment Schemes, or the CISA. The investor protection afforded to acquirers of interests in collective investment schemes under the CISA does not extend to acquirers of shares.

Notice to Prospective Investors in the Dubai International Financial Centre

This document relates to an Exempt Offer in accordance with the Markets Rules 2012 of the Dubai Financial Services Authority, or DFSA. This document is intended for distribution only to persons of a type specified in the Markets Rules 2012 of the DFSA. It must not be delivered to, or relied on by, any other person. The DFSA has no responsibility for reviewing or verifying any documents in connection with Exempt Offers. The DFSA has not approved this prospectus supplement nor taken steps to verify the information set forth herein and has no responsibility for this document. The securities to which this document relates may be illiquid and/or subject to restrictions on their resale. Prospective purchasers of the securities offered should conduct their own due diligence on the securities. If you do not understand the contents of this document you should consult an authorized financial advisor.

In relation to its use in the Dubai International Financial Centre, or DFIC, this document is strictly private and confidential and is being distributed to a limited number of investors and must not be provided to any person other than the original recipient, and may not be reproduced or used for any other purpose. The interests in the securities may not be offered or sold directly or indirectly to the public in the DIFC.

Notice to Prospective Investors in the United Arab Emirates

The shares have not been, and are not being, publicly offered, sold, promoted or advertised in the United Arab Emirates (including the DIFC) other than in compliance with the laws of the United Arab Emirates (and the DFIC) governing the issue, offering, and sale of securities. Further, this prospectus does not constitute a public offer of securities in the United Arab Emirates (including the DFIC) and is not intended to be a public offer. This prospectus has not been approved by or filed with the Central Bank of the United Arab Emirates, the Securities and Commodities Authority or the Dubai Financial Services Authority.

Notice to Prospective Investors in Australia

This prospectus:

- does not constitute a product disclosure document or a prospectus under Chapter 6D.2 of the Corporations Act 2001 (Cth), or the Corporations Act;
- has not been, and will not be, lodged with the Australian Securities and Investments Commission, or ASIC, as a disclosure document for the purposes of the Corporations Act and does not purport to include the information required of a disclosure document under Chapter 6D.2 of the Corporations Act;
- does not constitute or involve a recommendation to acquire, an offer or invitation for issue or sale, an offer or invitation to arrange the issue or sale, or an issue or sale, of interests to a "retail client" (as defined in section 761G of the Corporations Act and applicable regulations) in Australia; and
- may only be provided in Australia to select investors who are able to demonstrate that they fall within one or more of the categories of investors, or Exempt Investors, available under section 708 of the Corporations Act.

The shares may not be directly or indirectly offered for subscription or purchased or sold, and no invitations to subscribe for or buy the shares may be issued, and no draft or definitive offering memorandum, advertisement or other offering material relating to any shares may be distributed in Australia, except where disclosure to investors is not required under Chapter 6D of the Corporations Act or is otherwise in compliance with all applicable Australian laws and regulations. By submitting an application for the shares, you represent and warrant to us that you are an Exempt Investor.

As any offer of shares under this document will be made without disclosure in Australia under Chapter 6D.2 of the Corporations Act, the offer of those securities for resale in Australia within 12 months may, under section 707 of the Corporations Act, require disclosure to investors under Chapter 6D.2 if none of the exemptions in section 708 applies to that resale. By applying for the shares you undertake to us that you will not, for a period of 12 months from the date of issue of the shares, offer, transfer, assign or otherwise alienate those securities to investors in Australia except in circumstances where disclosure to investors is not required under Chapter 6D.2 of the Corporations Act or where a compliant disclosure document is prepared and lodged with ASIC.

Notice to Prospective Investors in Japan

The shares have not been and will not be registered pursuant to Article 4, Paragraph 1 of the Financial Instruments and Exchange Act. Accordingly, none of the shares nor any interest therein may be offered or sold, directly or indirectly, in Japan or to, or for the benefit of, any "resident" of Japan (which term as used herein means any person resident in Japan, including any corporation or other entity organized under the laws of Japan), or to others for re-offering or resale, directly or indirectly, in Japan or to or for the benefit of a resident of Japan, except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the Financial Instruments and Exchange Act and any other applicable laws, regulations and ministerial guidelines of Japan in effect at the relevant time.

Notice to Prospective Investors in Hong Kong

Warning. The contents of this document have not been reviewed by any regulatory authority in Hong Kong. You are advised to exercise caution in relation to the offer. If you are in any doubt about any of the contents of this document, you should obtain independent professional advice.

The shares have not been and will not be reviewed, approved, and/or registered by any regulatory body in Hong Kong. The shares have not been offered or sold and will not be offered or sold in Hong Kong, by means of any document, other than (a) to "professional investors" by way of private placement as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong and any rules made under that Ordinance; or (b) in other circumstances which do not result in the document being a "prospectus" as defined in the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong or which do not constitute an offer to the public within the meaning of that Ordinance. No advertisement, invitation or document relating to the shares has been or may be issued or has been or may be in the possession of any person for the purposes of issue, whether in Hong Kong or elsewhere, which is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong.

Notice to Prospective Investors in Singapore

This prospectus has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, this prospectus and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of shares may not be circulated or distributed, nor may the shares be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore other than (i) to an institutional investor under Section 274 of the Securities and Futures Act, Chapter 289 of Singapore (the "**SFA**"), (ii) to a relevant person pursuant to Section 275(1), or any person pursuant to Section 275(1A), and in accordance with the conditions specified in Section 275 of the SFA, or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where the shares are subscribed or purchased under Section 275 of the SFA by a relevant person which is:

- a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or
- a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor, securities (as defined in Section 239(1) of the SFA) of that corporation or the beneficiaries' rights and interest (howsoever described) in that trust shall not be transferred within six months after that corporation or that trust has acquired the shares pursuant to an offer made under Section 275 of the SFA except:
- to an institutional investor or to a relevant person defined in Section 275(2) of the SFA, or to any person arising from an offer referred to in Section 275(1A) or Section 276(4)(i)(B) of the SFA;
- where no consideration is or will be given for the transfer;
- where the transfer is by operation of law;
- as specified in Section 276(7) of the SFA; or
- as specified in Regulation 32 of the Securities and Futures (Offers of Investments) (Shares and Debentures) Regulations 2005 of Singapore

Solely for the purposes of its obligations pursuant to Section 309B of the SFA, we have determined, and hereby notify all relevant persons (as defined in the CMP Regulations 2018), that the shares are prescribed capital markets products (as defined in the CMP Regulations 2018) and Excluded Investment Products (as defined in MAS Notice SFA04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice of Recommendations of Investment Products).

Notice to Prospective Investors in Bermuda

Shares may be offered or sold in Bermuda only in compliance with the provisions of the Investment Business Act of 2003 of Bermuda which regulates the sale of securities in Bermuda. Additionally, non-Bermudian persons (including companies) may not carry on or engage in any trade or business in Bermuda unless such persons are permitted to do so under applicable Bermuda legislation.

Notice to Prospective Investors in Saudi Arabia

This document may not be distributed in the Kingdom of Saudi Arabia except to such persons as are permitted under the Offers of Securities Regulations as issued by the board of the Saudi Arabian Capital Market Authority, or CMA, pursuant to resolution number 2-11-2004 dated 4 October 2004 as amended by resolution number 1-28-2008, as amended. The CMA does not make any representation as to the accuracy or completeness of this document and expressly disclaims any liability whatsoever for any loss arising from, or incurred in reliance upon, any part of this document. Prospective purchasers of the securities offered hereby should conduct their own due diligence on the accuracy of the information relating to the securities. If you do not understand the contents of this document, you should consult an authorized financial adviser.

Notice to Prospective Investors in the British Virgin Islands

The shares may be offered to persons located in the British Virgin Islands who are "qualified investors" for the purposes of SIBA. Qualified investors include (i) certain entities which are regulated by the Financial Services Commission in the British Virgin Islands, including banks, insurance companies, licensees under SIBA and public, professional and private mutual funds; (ii) a company, any securities of which are listed on a recognized exchange; and (iii) persons defined as "professional investors" under SIBA, which is any person (a) whose ordinary business involves, whether for that person's own account or the account of others, the acquisition or disposal of property of the same kind as the property, or a substantial part of the property of the Issuer; or (b) who has signed a declaration that he, whether individually or jointly with his spouse, has net worth in excess of $1,000,000 and that he consents to being treated as a professional investor.

Notice to Prospective Investors in China

This prospectus does not constitute a public offer of shares, whether by sale or subscription, in the People's Republic of China, or the PRC. The shares are not being offered or sold directly or indirectly in the PRC to or for the benefit of, legal or natural persons of the PRC.

Further, no legal or natural persons of the PRC may directly or indirectly purchase any of the shares or any beneficial interest therein without obtaining all prior PRC's governmental approvals that are required, whether statutorily or otherwise. Persons who come into possession of this document are required by the issuer and its representatives to observe these restrictions.

Notice to Prospective Investors in Korea

The shares have not been and will not be registered under the Financial Investments Services and Capital Markets Act of Korea and the decrees and regulations thereunder, or the FSCMA, and the shares have been and will be offered in Korea as a private placement under the FSCMA. None of the shares may be offered, sold or delivered directly or indirectly, or offered or sold to any person for re-offering or resale, directly or indirectly, in Korea or to any resident of Korea except pursuant to the applicable laws and regulations of Korea, including the FSCMA and the Foreign Exchange Transaction Law of Korea and the decrees and regulations thereunder, or the FETL. The shares have not been listed on any of securities exchanges in the world including, without limitation, the Korea Exchange in Korea. Furthermore, the purchaser of the shares shall comply with all applicable regulatory requirements (including but not limited to requirements under the FETL) in connection with the purchase of the shares. By the purchase of the shares, the relevant stockholder thereof will be deemed to represent and warrant that

if it is in Korea or is a resident of Korea, it purchased the shares pursuant to the applicable laws and regulations of Korea.

Notice to Prospective Investors in Malaysia

No prospectus or other offering material or document in connection with the offer and sale of the shares has been or will be registered with the Securities Commission of Malaysia, or the Malaysia Commission, for the Malaysia Commission's approval pursuant to the Capital Markets and Services Act 2007. Accordingly, this prospectus and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the shares may not be circulated or distributed, nor may the shares be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Malaysia other than (i) a closed end fund approved by the Malaysia Commission; (ii) a holder of a Capital Markets Services Licence; (iii) a person who acquires the shares, as principal, if the offer is on terms that the shares may only be acquired at a consideration of not less than RM250,000 (or its equivalent in foreign currencies) for each transaction; (iv) an individual whose total net personal assets or total net joint assets with his or her spouse exceeds RM3 million (or its equivalent in foreign currencies), excluding the value of the primary residence of the individual; (v) an individual who has a gross annual income exceeding RM300,000 (or its equivalent in foreign currencies) per annum in the preceding twelve months; (vi) an individual who, jointly with his or her spouse, has a gross annual income of RM400,000 (or its equivalent in foreign currencies), per annum in the preceding twelve months; (vii) a corporation with total net assets exceeding RM10 million (or its equivalent in a foreign currencies) based on the last audited accounts; (viii) a partnership with total net assets exceeding RM10 million (or its equivalent in foreign currencies); (ix) a bank licensee or insurance licensee as defined in the Labuan Financial Services and Securities Act 2010; (x) an Islamic bank licensee or takaful licensee as defined in the Labuan Financial Services and Securities Act 2010; and (xi) any other person as may be specified by the Malaysia Commission; provided that, in the each of the preceding categories (i) to (xi), the distribution of the shares is made by a holder of a Capital Markets Services Licence who carries on the business of dealing in securities. The distribution in Malaysia of this prospectus is subject to Malaysian laws. This prospectus does not constitute and may not be used for the purpose of public offering or an issue, offer for subscription or purchase, invitation to subscribe for or purchase any securities requiring the registration of a prospectus with the Malaysia Commission under the Capital Markets and Services Act 2007.

Notice to Prospective Investors in Taiwan

The shares have not been and will not be registered with the Financial Supervisory Commission of Taiwan pursuant to relevant securities laws and regulations and may not be sold, issued or offered within Taiwan through a public offering or in circumstances which constitutes an offer within the meaning of the Securities and Exchange Act of Taiwan that requires a registration or approval of the Financial Supervisory Commission of Taiwan. No person or entity in Taiwan has been authorized to offer, sell, give advice regarding, or otherwise, intermediate the offering and sale of the shares in Taiwan.

Notice to Prospective Investors in South Africa

Due to restrictions under the securities laws of South Africa, the shares are not offered, and the offer shall not be transferred, sold, renounced or delivered, in South Africa or to a person with an address in South Africa, unless one or other of the following exemptions applies:

- the offer, transfer, sale, renunciation or delivery is to:
  - persons whose ordinary business is to deal in securities, as principal or agent;
  - the South African Public Investment Corporation;
  - persons or entities regulated by the Reserve Bank of South Africa;
  - authorized financial service providers under South African law;
  - financial institutions recognized as such under South African law;

- a wholly-owned subsidiary of any person or entity contemplated in (c), (d) or (e), acting as agent in the capacity of an authorized portfolio manager for a pension fund or collective investment scheme (in each case duly registered as such under South African law); or
- any combination of the person in (a) to (f); or

- the total contemplated acquisition cost of the securities, for any single addressee acting as principal is equal to or greater than 1,000,000 South African rand.

No “offer to the public” (as such term is defined in the South African Companies Act, No. 71 of 2008 (as amended or re-enacted), or the South African Companies Act) in South Africa is being made in connection with the issue of the shares. Accordingly, this document does not, nor is it intended to, constitute a “registered prospectus” (as that term is defined in the South African Companies Act) prepared and registered under the South African Companies Act and has not been approved by, and/or filed with, the South African Companies and Intellectual Property Commission or any other regulatory authority in South Africa. Any issue or offering of the shares in South Africa constitutes an offer of the shares in South Africa for subscription or sale in South Africa only to persons who fall within the exemption from “offers to the public” set out in section 96(1)(a) of the South African Companies Act. Accordingly, this document must not be acted on or relied on by persons in South Africa who do not fall within section 96(1)(a) of the South African Companies Act, such persons being referred to as SA Relevant Persons. Any investment or investment activity to which this document relates is available in South Africa only to SA Relevant Persons and will be engaged in South Africa only with SA Relevant Persons.

LEGAL MATTERS

The validity of the securities being offered by this prospectus and certain legal matters in connection with this offering relating to U.S. law will be passed upon for us by Dorsey & Whitney LLP. Saul Ewing Arnstein & Lehr LLP is representing the underwriters.

EXPERTS

Our consolidated financial statements as of and for the years ended December 31, 2020 and 2019 have been included in this prospectus in reliance upon the report of Marcum LLP, independent registered public accounting firm, included elsewhere herein, and upon the authority of said firm as experts in accounting and auditing.

The financial statements of MOCA, LLC as of and for the years ended December 31, 2020 and 2019 are attached as Exhibit 99.1 to the registration statement of which this prospectus forms a part in reliance upon the report of Hill, Barth & King LLC, independent registered public accounting firm, included elsewhere herein, and upon the authority of said firm as experts in accounting and auditing.

The financial statements of Chicago Alternative Health Center Holdings, LLC and Affiliate as of and for the years ended December 31, 2020 and 2019 are attached as Exhibit 99.3 to the registration statement of which this prospectus forms a part in reliance upon the report of Hill, Barth & King LLC, independent registered public accounting firm, included elsewhere herein, and upon the authority of said firm as experts in accounting and auditing.

The financial statements of MedMen NY, Inc. as of and for the years ended December 31, 2020 and 2019 are attached as Exhibit 99.5 to the registration statement of which this prospectus forms a part in reliance upon the report of MNP LLP, independent registered public accounting firm, included elsewhere herein, and upon the authority of said firm as experts in accounting and auditing.

DISCLOSURE OF SEC POSITION ON INDEMNIFICATION FOR SECURITIES ACT LIABILITIES

Insofar as indemnification for liabilities arising under the Securities Act may be permitted to directors, officers or persons controlling us, we have been advised that in the opinion of the SEC such indemnification is against public policy as expressed in the Securities Act and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by us of expenses incurred or paid by a director, officer or controlling person in the successful defense of any action, suit or proceeding) is asserted by such director, officer or controlling person in connection with the securities being registered, we will, unless in the opinion of our counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by us is against public policy as expressed hereby in the Securities Act, and we will be governed by the final adjudication of such issue.

WHERE YOU CAN FIND ADDITIONAL INFORMATION

We have filed with the SEC a registration statement on Form S-1 under the Securities Act with respect to the shares of Class A common stock offered hereby. This prospectus, which constitutes a part of the registration statement, does not contain all of the information set forth in the registration statement or the exhibits and schedules filed with the registration statement. For further information about us and the Class A common stock offered hereby, we refer you to the registration statement and the exhibits filed with the registration statement. Statements contained in this prospectus regarding the contents of any contract or any other document that is filed as an exhibit to the registration statement are not necessarily complete, and each such statement is qualified in all respects by reference to the full text of such contract or other document filed as an exhibit to the registration statement. The SEC maintains an internet website that contains reports, proxy statements and other information about registrants, like us, that file electronically with the SEC. The address of that website is www.sec.gov.

Upon the closing of this offering, we will be required to file periodic reports, proxy statements, and other information with the SEC pursuant to the Exchange Act. These reports, proxy statements, and other information will be available on the website of the SEC referred to above.

We also maintain a website at www.awholdings.com, through which you may access these materials free of charge as soon as reasonably practicable after they are electronically filed with, or furnished to, the SEC. Information contained on our website is not a part of this prospectus, and the inclusion of our website address in this prospectus is an inactive textual reference only.

INDEX TO CONSOLIDATED FINANCIAL STATEMENTS

Report of Independent Registered Public Accounting Firm

To the Members and Board of Managers of
Ascend Wellness Holdings, LLC

Opinion on the Financial Statements

We have audited the accompanying consolidated statements of financial position of Ascend Wellness Holdings, LLC (the "Company") as of December 31, 2020 and 2019, the related consolidated statements of operations, members' equity and cash flows for each of the two years in the period ended December 31, 2020, and the related notes (collectively referred to as the "financial statements").

In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2020 and 2019, and the results of its operations and its cash flows for each of the two years in the period ended December 31, 2020, in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinion

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) ("PCAOB") and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audits we are required to obtain an understanding of internal control over financial reporting but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion.

Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

/s/ Marcum LLP

Marcum LLP

We have served as the Company's auditor since 2020.

New York, NY
February 25, 2021

Ascend Wellness Holdings, LLC

Consolidated Balance Sheets

(in thousands)	December 31, 2020	December 31, 2019
Assets		
Current assets		
Cash and cash equivalents	$ 56,547	$ 10,555
Restricted cash	1,550	2,250
Accounts receivable, net	6,227	220
Inventory	28,997	15,388
Notes receivable	8,259	9,200
Other current assets	32,967	19,763
Total current assets	134,547	57,376
Property and equipment, net	120,540	79,477
Operating lease right-of-use assets	84,642	34,400
Intangible assets, net	50,461	19,560
Goodwill	22,798	809
Deferred tax assets	2,395	1,109
Other noncurrent assets	12,365	3,200
TOTAL ASSETS	$ 427,748	$ 195,931
Liabilities and Members' Equity		
Current liabilities		
Accounts payable and accrued liabilities	$ 31,224	$ 12,591
Current portion of debt, net	59,330	410
Operating lease liabilities, current	2,128	660
Income taxes payable	18,275	1,775
Other current liabilities	4,328	610
Total current liabilities	115,285	16,046
Long-term debt, net	152,277	81,403
Operating lease liabilities, noncurrent	156,400	63,642
Total liabilities	423,962	161,091
Commitments and contingencies (Note 15)		
Members' Equity		
Membership units, no par value, 212,165 and 179,642 issued and outstanding, respectively	—	—
Additional paid-in capital	67,378	71,947
Accumulated deficit	(63,592)	(38,153)
Equity of Ascend Wellness Holdings, LLC	3,786	33,794
Non-controlling interests	—	1,046
Total members' equity	3,786	34,840
TOTAL LIABILITIES AND MEMBERS' EQUITY	$ 427,748	$ 195,931

See accompanying notes to consolidated financial statements.

Ascend Wellness Holdings, LLC

Consolidated Statements of Operations

(in thousands, except per unit amounts)	Year Ended December 31, 2020	2019
Revenue, net	$ 143,732	$ 12,032
Cost of goods sold	(82,818)	(8,744)
Gross profit	60,914	3,288
Operating expenses		
General and administrative	53,067	29,409
Total operating expenses	53,067	29,409
Operating profit (loss)	7,847	(26,121)
Other income (expense)		
Interest expense	(12,993)	(6,477)
Other, net	7	23
Total other income (expense)	(12,986)	(6,454)
Loss before income taxes	(5,139)	(32,575)
Income tax expense	(18,702)	(667)
Net loss	(23,841)	(33,242)
Less: net income (loss) attributable to non-controlling interests	1,598	(1,347)
Net loss attributable to Ascend Wellness Holdings, LLC	$ (25,439)	$ (31,895)
Net loss per unit attributable to Ascend Wellness Holdings, LLC — basic and diluted	$ (0.13)	$ (0.18)
Weighted-average units outstanding — basic and diluted	190,330	174,578

See accompanying notes to consolidated financial statements.

Ascend Wellness Holdings, LLC

Consolidated Statements of Changes in Members' Equity

(in thousands)	LLC Membership Units	Attributable to Members of the Parent			Non-Controlling Interests	Total Equity
		Unit Capital	Accumulated Deficit	Members' Equity		
December 31, 2018	136,607	$ 32,892	$ (6,258)	$ 26,634	$ —	$ 26,634
Proceeds from private placement	42,410	38,481	—	38,481	—	38,481
Units issued in acquisitions or asset purchases	625	263	—	263	—	263
Non-controlling interests issued in acquisitions		—	—	—	2,393	2,393
Equity-based compensation expense	—	311	—	311	—	311
Net loss	—	—	(31,895)	(31,895)	(1,347)	(33,242)
December 31, 2019	179,642	$ 71,947	$ (38,153)	$ 33,794	$ 1,046	$ 34,840
Units issued in acquisitions or asset purchases	20,000	2,800	—	2,800	—	2,800
Purchase of non-controlling interests	7,271	(8,329)	—	(8,329)	(2,644)	(10,973)
Vesting of restricted common units	5,252	—	—	—	—	—
Issuance of warrants	—	280	—	280	—	280
Equity-based compensation expense	—	680	—	680	—	680
Net loss	—	—	(25,439)	(25,439)	1,598	(23,841)
December 31, 2020	212,165	$ 67,378	$ (63,592)	$ 3,786	$ —	$ 3,786

See accompanying notes to consolidated financial statements.

Ascend Wellness Holdings, LLC

Consolidated Statements of Cash Flows

(in thousands)	Year Ended December 31, 2020	2019
Cash flows from operating activities		
Net loss	$ (23,841)	$ (33,242)
Adjustments to reconcile net loss to net cash used in operating activities:		
Depreciation and amortization	12,561	4,101
Amortization of operating lease assets	872	194
Non-cash interest expense	5,319	1,522
Share-based compensation expense	680	311
Deferred income taxes	(1,286)	(1,109)
Loss on sale of assets	286	—
Changes in operating assets and liabilities, net of effects of acquisitions		
Accounts receivable	(6,007)	(220)
Inventory	(11,744)	(15,789)
Other current assets	(3,152)	(3,664)
Other noncurrent assets	(4,710)	(1,739)
Accounts payable and accrued liabilities	1,937	5,863
Other current liabilities	3,719	609
Lease liabilities	2,862	459
Income taxes payable	16,500	1,775
Net cash used in operating activities	(6,004)	(40,929)
Cash flows from investing activities		
Additions to capital assets	(26,419)	(41,670)
Investments in notes receivable	(5,559)	(9,200)
Collection of notes receivable	527	—
Proceeds from sale of assets	26,750	13,750
Purchase of businesses, net of cash acquired	(26,044)	(8,731)
Purchases of intangible assets	(127)	(19,700)
Net cash used in investing activities	(30,872)	(65,551)
Cash flows from financing activities		
Proceeds from issuance of debt	101,886	64,742
Repayments of debt	(19,591)	(6,018)
Proceeds from private placement	—	38,481
Proceeds from finance leases	3,750	14,000
Repayments under finance leases	(478)	(143)
Debt issuance costs	(3,399)	—
Net cash provided by financing activities	82,168	111,062
Net increase in cash, cash equivalents, and restricted cash	45,292	4,582
Cash, cash equivalents, and restricted cash at beginning of period	12,805	8,223
Cash, cash equivalents, and restricted cash at end of period	$ 58,097	$ 12,805

See accompanying notes to consolidated financial statements.

Ascend Wellness Holdings, LLC

Consolidated Statements of Cash Flows

(continued)

(in thousands)	Year Ended December 31, 2020	2019
Supplemental Cash Flow Information		
Interest paid	$ 6,204	$ 3,229
Income taxes paid	2,417	—
Non-cash investing and financing activities		
Capital expenditures incurred but not yet paid	11,572	3,435
Issuance of common units in business acquisitions	2,319	—
Issuance of common units for intangible assets	481	263
Issuance of common units in purchase of non-controlling interests	1,018	—
Issuance of non-controlling interests in acquisitions	—	2,393
Warrants issued with notes payable	280	—

See accompanying notes to consolidated financial statements.

1. THE COMPANY AND NATURE OF OPERATIONS

Ascend Wellness Holdings, LLC, which operates through its subsidiaries (collectively referred to as "Ascend Wellness," "AWH," "we," "us," "our," or the "Company"), is a multi-state operator in the United States cannabis industry. AWH owns, manages, and operates cannabis cultivation facilities and dispensaries in several states across the United States, most significantly in Illinois, Michigan, and Massachusetts. AWH is a Delaware limited liability company that was formed on May 15, 2018 and is headquartered in New York, New York.

2. BASIS OF PRESENTATION AND SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation and Principles of Consolidation

The consolidated financial statements and accompanying notes (the "Financial Statements") have been prepared in accordance with generally accepted accounting principles in the United States of America ("U.S. GAAP"). The Financial Statements include the accounts of Ascend Wellness Holdings, LLC and its subsidiaries, including: AGP Investments, LLC; Ascend Group Partners, LLC; Ascend Illinois Holdings, LLC; Ascend Illinois, LLC; Revolution Cannabis-Barry, LLC; HealthCentral, LLC; Massgrow, LLC; Ascend Mass, LLC; Ascend Friend Street RE LLC; Ascend New Jersey, LLC; FPAW Michigan 2, Inc.; and Ascend Ohio, LLC. Refer to Note 8, "Variable Interest Entities," for additional information regarding certain entities that are not wholly-owned by the Company. We include the results of acquired businesses in the consolidated statements of operations from their respective acquisition dates. All intercompany accounts and transactions have been eliminated in consolidation.

The preparation of consolidated financial statements in accordance with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts. We base our estimates on historical experience, known or expected trends, independent valuations, and various other measurements that we believe to be reasonable under the circumstances. As future events and their effects cannot be determined with precision, actual results could differ significantly from these estimates.

We round amounts in the Financial Statements to thousands, except unit and per unit amounts or as otherwise stated. In June 2019, the Company authorized a 10-for-1 unit split, which is retroactively reflected in these Financial Statements for all periods presented. We calculate all percentages and per-unit data from the underlying whole-dollar amounts. Thus, certain amounts may not foot, crossfoot, or recalculate based on reported numbers due to rounding. Unless otherwise indicated, all references to years are to our fiscal year, which ends on December 31.

Liquidity

As reflected in the Financial Statements, the Company had an accumulated deficit as of December 31, 2020 and 2019, as well as a net loss and negative cash flows from operating activities for the years then-ended. Management believes that substantial doubt of our ability to continue as a going concern for at least one year from the issuance of these financial statements has been alleviated due to: (i) capital raised subsequent to December 31, 2020 (see Note 18, "Subsequent Events") and (ii) continued sales growth from our consolidated operations. Management plans to continue to access capital markets for additional funding through debt and/or equity financings to supplement future cash needs, as may be required. However, management cannot provide any assurances that the Company will be successful in accomplishing its business plans. If the Company is unable to raise additional capital whenever necessary, it may be forced to decelerate or curtail certain of its operations until such time as additional capital becomes available.

Reclassifications

Certain prior year amounts have been reclassified to conform with our fiscal 2020 presentation. These changes had no impact on our previously reported net loss.

Revision of Financial Statements

During 2020, the Company identified and corrected an error related to the calculation of the incremental borrowing rate that is used to determine the present value of future lease payments of the Company's operating leases.

In order to assess materiality with respect to the adjustment, the Company considered Staff Accounting Bulletin ("SAB") 99, *Materiality*, and SAB 108, *Considering the Effects of Prior Year Misstatements when Quantifying Misstatements in Current Year Financial Statements*, and determined that the impact of the adjustments on prior period consolidated financial statements was immaterial.

This adjustment had no material impact on the Consolidated Statement of Operations for the year ended December 31, 2019.

The impact of this adjustment on the Consolidated Balance Sheet as of December 31, 2019 is as follows:

(in thousands)	Previously Reported	As Revised
Operating lease right-of-use assets	$ 53,939	$ 34,400
Total assets	215,470	195,931
Operating lease liabilities, current	631	660
Operating lease liabilities, noncurrent	83,210	63,642
Total liabilities	180,630	161,091
Total liabilities and members' equity	215,470	195,931

The impact of this adjustment on the Consolidated Statement of Cash Flows for the year ended December 31, 2019 is as follows:

(in thousands)	Previously Reported	As Revised
Amortization of operating lease assets	$ 476	$ 194
Lease liabilities	177	459

Additionally, the non-cash supplemental disclosure related to lease assets obtained in exchange for new operating lease liabilities was previously reported as $64,930 and is revised to $45,108. The weighted average discount rate on our lease liabilities as of December 31, 2019 was previously reported as 9.0% and is revised to 13.0%. The deferred tax assets attributable to operating lease liabilities as of December 31, 2019 was previously reported as $17,976 and is revised to $12,410. The deferred tax liabilities attributable to operating lease right-of-use assets was previously reported as $11,298 and is revised to $5,732. There was no impact to the net deferred tax assets previously reported as of December 31, 2019.

Variable Interest Entities

In determining whether we are the primary beneficiary of a variable interest entity ("VIE"), we assess whether we have the power to direct matters that most significantly impact the activities of the VIE and the obligation to absorb losses or the right to receive the benefits from the VIE that could potentially be significant to the VIE.

A VIE is a legal entity that does not have sufficient equity at risk to finance its activities without additional subordinated financial support or is structured that such equity investors lack the ability to make significant decisions relating to the entity's operations through voting rights or do not substantively participate in the gains or losses of the entity. The primary beneficiary has both the power to direct the activities of the VIE that most significantly impact the entity's economic performance and the obligation to absorb losses or the right to receive

benefits from the VIE that could potentially be significant to the VIE. We assess all variable interests in the entity and use our judgment when determining if we are the primary beneficiary. Other qualitative factors that are considered include decision-making responsibilities, the VIE capital structure, risk and rewards sharing, contractual agreements with the VIE, voting rights, and level of involvement of other parties. We assess the primary beneficiary determination for a VIE on an ongoing basis if there are any changes in the facts and circumstances related to a VIE.

Where we determine we are the primary beneficiary of a VIE, we consolidate the accounts of that VIE. The equity owned by other shareholders is shown as non-controlling interests in the accompanying Consolidated Balance Sheets, Statements of Operations, and Statements of Changes in Members' Equity. The assets of the VIE can only be used to settle obligations of that entity, and any creditors of that entity generally have no recourse to the assets of other entities or the Company unless the Company separately agrees to be subject to such claims.

Non-Controlling Interests

Non-controlling interests ("NCI") represent equity interests in certain of our subsidiaries that are owned by outside parties. NCI may be initially measured at fair value or at the NCI's proportionate share of the recognized amounts of the acquiree's identifiable net assets, made on a transaction by transaction basis. We have elected to measure each NCI at its proportional share of the recognized amounts of the acquiree's identifiable net assets. The share of net assets attributable to NCI are presented as a component of equity. Their share of net income or loss is recognized directly in equity. Total comprehensive income or loss of subsidiaries is attributed to the members of the Company and to the NCI, even if this results in the NCI having a deficit balance. At December 31, 2019, the only NCI is related to Ascend Illinois, which the Company purchased during 2020. There are no NCI as of December 31, 2020. See Note 8, "Variable Interest Entities" for additional information.

Cash and Cash Equivalents and Restricted Cash

We consider all highly liquid securities with an original maturity of three months or less that are held for the purpose of meeting short-term cash commitments and are readily convertible into known amounts of cash to be cash and cash equivalents. As of December 31, 2020 and 2019, we did not hold significant cash equivalents. We maintain cash with various U.S. banks and credit unions with balances in excess of the Federal Deposit Insurance Corporation and National Credit Union Share Insurance Fund limits. The failure of a bank or credit union where we have significant deposits could result in a loss of a portion of such cash balances in excess of the insured limits, which could materially and adversely affect our business, financial condition, and results of operations.

Restricted cash consists of deposits that the Company is contractually obligated to maintain in accordance with the terms of a construction loan. See Note 11, "Debt," for additional information.

The following table provides a reconciliation of cash, cash equivalents, and restricted cash to amounts shown in the Consolidated Statements of Cash Flows:

	As of December 31,	
(in thousands)	**2020**	**2019**
Cash and cash equivalents	$ 56,547	$ 10,555
Restricted cash	1,550	2,250
Total cash, cash equivalents, and restricted cash	$ 58,097	$ 12,805

Accounts Receivable and Allowance for Doubtful Accounts

Accounts receivable are recorded at the invoiced amount, which may bear interest and do not require collateral. Past due balances are determined based on the contractual terms of the arrangements. The Company estimates its allowance for doubtful accounts based on specific identification of probable credit losses and historical write-off experience. Account balances are charged off against the allowance after all means of collection have been exhausted and the potential for recovery is considered remote. As of December 31, 2020 and 2019, the Company determined that no allowance for doubtful accounts was required.

(in thousands, except per unit data)

Inventory

Inventory includes the direct costs of seeds and growing materials, indirect costs (such as utilities, labor, depreciation, and overhead costs), and subsequent costs to prepare the products for ultimate sale, which include direct costs such as materials and indirect costs such as utilities and labor. All direct and indirect costs related to inventory are capitalized when they are incurred and they are subsequently classified to "Cost of goods sold" in the Consolidated Statements of Operations. Inventory is valued at the lower of cost and net realizable value, with cost determined using the weighted average cost method for cultivation inventory and specific identification for retail inventory. The Company reviews inventory for obsolete and slow-moving goods, and any such inventories are written down to net realizable value.

Notes Receivable

The Company provides financing to various related and non-related businesses within the cannabis industry. These notes are classified as held for investment and are accounted for as financial instruments in accordance with Accounting Standards Codification ("ASC") Topic 310, *Receivables*. The Company recognizes impairment on notes receivable when, based on all available information, it is probable that a loss has been incurred based on past events and conditions existing at the date of the Financial Statements. No impairment losses were recognized in 2020 or 2019.

Property and Equipment

Property and equipment is stated at cost, net of accumulated depreciation, amortization and impairment losses, if any. Land and construction in process are not depreciated. Depreciation and amortization is calculated on a straight-line basis over the estimated useful lives of the assets which are as follows:

Category	Estimated Lives
Machinery and other equipment	5 years
Leasehold improvements	Shorter of 10 years or lease term
Buildings	39 years

Estimates of useful life and the method of depreciation are reviewed only when events or changes in circumstances indicate that the current estimates or depreciation method are no longer appropriate. Any changes are accounted for on a prospective basis as a change in estimate. Construction in progress is measured at cost and is reclassified upon completion as building or leasehold improvements, depending on the nature of the assets, and depreciated over the estimated useful life of the asset. Repairs and maintenance costs are expensed as incurred. Property and equipment is derecognized upon disposal or when no future economic benefits are expected from its use. Any gain or loss arising from derecognition of the asset is included in the Consolidated Statements of Operations.

Leases

The Company early adopted Accounting Standards Update ("ASU") 2016-01, *Leases*, at formation as of May 15, 2018 and accounts for leases in accordance with ASC Topic 842. We record right-of-use ("ROU") assets on the balance sheet (representing the right to use an underlying asset for the lease term) and the corresponding lease liabilities (the obligation to make lease payments arising from the lease). We do not record ROU assets or lease liabilities for leases with an initial term of 12 months or less and we recognize payments for such leases in our Consolidated Statements of Operations on a straight-line basis over the lease term. We do not separate lease components from non-lease components for all asset classes. Sale-leasebacks are assessed to determine whether a sale has occurred under ASC Topic 606, *Revenue from Contracts with Customers*. If a sale is determined not to have occurred, the underlying "sold" assets are not derecognized and a financing liability is established in the amount of cash received. At such time the lease expires, the assets are then derecognized along with the financing liability, with a gain recognized on disposal for the difference between the two amounts, if any. A lease of property and equipment

(in thousands, except per unit data)

is classified as an operating lease whenever the terms of the lease do not transfer substantially all the risks and rewards of ownership to the Company. Lease payments are recognized as an expense on a straight-line basis over the lease term, except where another systematic basis is more representative of the time pattern in which the economic benefits are consumed. See Note 10, “Leases,” for additional information on our lease arrangements.

Intangible Assets

Finite-lived intangible assets are recorded at cost less accumulated amortization and accumulated impairment losses, if any. Intangible assets acquired in a business combination are measured at fair value at the acquisition date. These assets are amortized on a straight-line basis over their estimated useful lives as follows:

	Years
Tradenames	6 months
Licenses and permits	10 years
In-place leases	Lease term

The estimated useful life and amortization method are reviewed at the end of each reporting year, and the effect of any changes in estimate is accounted for on a prospective basis. No impairment indicators were noted during 2020 or 2019 and, as such, we did not record any impairment charges during either period.

Goodwill and Indefinite Life Intangible Assets

Goodwill represents the excess of purchase price of acquired businesses over the fair value of the assets acquired and liabilities assumed. Goodwill is allocated to the reporting unit in which the business that created the goodwill resides. We have elected to make the first day of our fourth quarter the annual impairment assessment date for goodwill. However, we could be required to evaluate the recoverability of goodwill more often if impairment indicators exist.

In 2018, we early adopted ASU 2017-04, *Intangibles-Goodwill and Other (Topic 350): Simplifying the Test for Goodwill Impairment*, which eliminates the two-step goodwill impairment process and allows us to test goodwill for impairment by comparing the fair value of a reporting unit to its carrying amount. If the fair value of a reporting unit is less than its carrying value, an impairment charge will be recorded for the difference between the fair value and carrying value, but is limited to the carrying value of the reporting unit’s goodwill. During the fourth quarter of 2020, we performed our annual assessment of goodwill, noting no indicators of impairment and, as such, we did not record any impairment charges. No impairment was recorded during 2020 or 2019.

Indefinite life intangible assets are carried at cost less accumulated impairment losses. The Company reviews the classification each reporting period to determine whether the assessment made about the useful life as indefinite or finite is still appropriate. Any change is accounted for on a prospective basis as a change in estimate.

Impairment of Long-Lived Assets

The Company evaluates the recoverability of long-lived assets, including property and equipment, finite life intangible assets, and lease-related ROU assets whenever events or changes in circumstances indicate a potential impairment exists. We group assets at the lowest level for which cash flows are separately identifiable, referred to as an asset group. When indicators of potential impairment exist, we prepare a projected undiscounted cash flow analysis for the respective asset or asset group. If the sum of the undiscounted cash flow is less than the carrying value of the asset or asset group, an impairment loss is recognized equal to the excess of the carrying value over the fair value, if any,

Fair Value of Financial Instruments

Fair value is the price we would receive to sell an asset or pay to transfer a liability in an orderly transaction with a market participant at the measurement date. In the absence of active markets for the identical assets or

liabilities, such measurements involve developing assumptions based on market observable data and, in the absence of such data, internal information that is consistent with what market participants would use in a hypothetical transaction that occurs at the measurement date.

Observable inputs reflect market data obtained from independent sources, while unobservable inputs reflect our market assumptions. Preference is given to observable inputs. These two types of inputs create the following fair value hierarchy:

Level 1 – Quoted prices for identical instruments in active markets;

Level 2 – Quoted prices for similar instruments in active markets; quoted prices for identical or similar instruments in markets that are not active; and model-derived valuations whose inputs are observable or whose significant value drivers are observable; and

Level 3 – Significant inputs to the valuation model are unobservable.

We evaluate assets and liabilities subject to fair value measurements on a recurring and non-recurring basis to determine the appropriate level at which to classify them for each reporting period. The Company records cash, accounts receivable, notes receivable, and notes payable at cost. The carrying value of these instruments approximates their fair value due to their short-term maturities. Unless otherwise noted, it is management's opinion that the Company is not exposed to significant interest or credit risks arising from these financial instruments. During 2020 and 2019, we had no transfers of assets or liabilities between any of the hierarchy levels.

In addition to assets and liabilities that are measured at fair value on a recurring basis, we are also required to measure certain assets at fair value on a non-recurring basis that are subject to fair value adjustments in specific circumstances. These assets can include: goodwill; intangible assets; property and equipment; and lease related ROU assets. We estimate the fair value of these assets using primarily unobservable Level 3 inputs.

Convertible Instruments

The Company accounts for hybrid contracts that feature conversion options in accordance with ASC Topic 815, *Derivatives and Hedging Activities* ("ASC 815"). ASC 815 requires companies to bifurcate conversion options and account for them as freestanding financial instruments according to certain criteria. If the embedded features do not meet the criteria for bifurcation, the convertible instrument is accounted for as a single hybrid instrument in accordance with ASC Topic 470-20, *Debt with Conversion and Other Options* ("ASC 470-20").

From time to time, the Company may issue, in connection with its debt, warrants to purchase common units. The warrants are recorded at fair value using the Black-Scholes option pricing model or a binomial model, based on the classification of the instrument. The classification of warrants as liabilities or equity is evaluated at issuance.

Acquisitions

We account for business combinations using the acquisition method of accounting. On the date of the acquisition, we allocate the purchase price to the assets acquired and liabilities assumed at their estimated fair values. Goodwill on the acquisition date is measured as the excess of the purchase price over the fair values of assets acquired and liabilities assumed. While we use our best estimates and assumptions to accurately value assets acquired and liabilities assumed at the acquisition date as well as contingent consideration, where applicable, our estimates are subject to refinement. As a result, during the measurement period, which may be up to one year from the acquisition date, we record adjustments to the assets acquired and liabilities assumed with corresponding adjustments to goodwill. We recognize subsequent changes in the estimate of the amount to be paid under contingent consideration arrangements in the accompanying Consolidated Statements of Operations. We expense acquisition-related costs as incurred.

For acquisitions that are not deemed to be businesses, the assets acquired are recognized based on their cost to the Company as the acquirer and no gain or loss is recognized. The cost of assets acquired in a group is allocated to the individual assets within the group based on their relative fair values and does not give rise to goodwill. Transaction costs related to acquisitions of assets are included in the cost basis of the assets acquired.

Contingencies and Litigation

The Company may be subject to lawsuits, investigations, and other claims related to employment, commercial, and other matters that arise out of operations in the normal course of business. We accrue for loss contingencies when losses become probable and are reasonably estimable. If the reasonable estimate of the loss is a range and no amount within the range is a better estimate, the minimum amount of the range is recorded as a liability. We recognize legal costs as an expense in the period incurred.

Income Taxes

We account for income taxes using the asset and liability method. Deferred tax assets and liabilities are recognized for the future tax consequences attributable to temporary differences between the financial statement carrying amount of existing assets and liabilities and their respective tax basis. We measure deferred tax assets and liabilities using enacted tax rates expected to be applied to taxable income in the years in which those temporary differences are expected to be recovered. Deferred tax assets are reviewed for recoverability on an annual basis. A valuation allowance is recorded to reduce the carrying amount of a deferred tax asset to its realizable value unless it is more likely than not that such asset will be realized. We recognize interest and penalties associated with tax matters as part of the income tax provision, if any, and include accrued interest and penalties with the related tax liability in the Consolidated Balance Sheet, if applicable.

As discussed further in Note 14, “Income Taxes,” we are subject to the provisions of Internal Revenue Code (“IRC”) Section 280E.

Revenue Recognition

Revenue is recognized in accordance with ASU 2014-09, *Revenue from Contracts with Customers (Topic 606)*, and the related subsequent pronouncements (collectively “Topic 606”), which the Company early adopted at formation as of May 15, 2018. Under Topic 606, revenue recognition depicts the transfer of promised goods or services to a customer in an amount that reflects the consideration to which we expect to be entitled in exchange for those goods or services. Revenue recognition is aligned with the delivery of goods and services and is recognized at a point in time or over time, the assessment of which requires judgment.

In accordance with Topic 606, revenue is recognized when a customer obtains control of promised goods or services. The amount of revenue reflects the consideration to which the Company expects to be entitled to receive in exchange for these goods or services. The Company applies the following five-step analysis to determine whether, how much, and when revenue is recognized: (1) identify the contract with the customer; (2) identify the performance obligation in the contract; (3) determine the transaction price; (4) allocate the transaction price to the performance obligation in the contract; and (5) recognize revenue when or as the Company satisfies a performance obligation.

Under Topic 606, revenue from the sale of medicinal and adult-use cannabis and derivative products has a single performance obligation and revenue is recognized at the point in time when control of the product transfers and the Company’s obligations have been fulfilled. This generally occurs upon delivery and acceptance by the customer. Amounts disclosed as revenue are net of allowances, discounts, and rebates. Sales discounts were not material during 2020. Sales taxes collected from customers are excluded from revenue.

For certain locations, we offer a loyalty program to dispensary customers. A portion of the revenue generated in a sale is allocated to the loyalty points earned and the amount allocated to the points earned is deferred until the loyalty points are redeemed or expire. The loyalty liability was not material at December 31, 2020 or 2019.

Equity-Based Payments

The Company issues equity-based awards to employees and non-employee directors for services. These awards are measured based on their fair value at the grant date and recognized as compensation expense over the requisite service period. Forfeitures are accounted for as they occur. The Company issues new units to satisfy the issuance of equity-based payments.

Loss per Unit

Net loss per unit represents the net loss attributable to members divided by the weighted average number of units outstanding during the period on an as-converted to common unit basis. Diluted earnings per unit reflects the potential dilution that could occur if securities or other contracts to issue common units were exercised or converted into common units of the Company during the reporting periods. Potential dilutive common unit equivalents consist of the incremental common units issuable upon the exercise of warrants and the incremental shares issuable upon conversion of convertible notes. In reporting periods in which the Company has a net loss, the effect of these are considered anti-dilutive and are excluded from the diluted earnings per unit calculation. The number of units excluded from the calculation was 59,452 and 24,292 as of December 31, 2020 and 2019, respectively, because their inclusion would have been anti-dilutive.

Recently Adopted Accounting Standards

Distinguishing Liabilities from Equity and Derivatives and Hedging

In July 2017, the FASB issued ASU 2017-11, *Earnings Per Share (Topic 260); Distinguishing Liabilities from Equity (Topic 480), Derivatives and Hedging (Topic 815): (Part I) Accounting for Certain Financial Instruments with Down Round Features, (Part II) Replacement of the Indefinite Deferred for Mandatorily Redeemable Financial of Certain Nonpublic Entities and Certain Mandatorily Redeemable Noncontrolling Interest with a Scope Exception*, ("ASU 2017-11"). Part I addresses complexities of accounting for certain financial instruments with down round features and Part II addresses the difficulty of navigating Topic 480 for certain financial instruments with characteristics of liability and equity. ASU 2017-11 became effective for us on January 1, 2020 and did not significantly impact our Consolidated Financial Statements.

Fair Value Measurements

In August 2018, the FASB issued ASU 2018-13, *Disclosure Framework – Changes to the Disclosure Requirements for Fair Value Measurement (Topic 820)*, ("ASU 2018-13"). ASU 2018-13 adds, modifies, and removes certain fair value measurement disclosure requirements. ASU 2018-13 became effective for us on January 1, 2020 and did not significantly impact our Consolidated Financial Statements.

Recently Issued Accounting Pronouncements

The following standards have been recently issued by the Financial Accounting Standards Board ("FASB"). Pronouncements that are not applicable to the Company or where it has been determined do not have a significant impact on us have been excluded herein.

Financial Instruments

In June 2016, the FASB issued ASU 2016-13, *Financial Instruments – Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments*, ("ASU 2016-13"). ASU 2016-13 replaces the existing guidance surrounding measurement and recognition of credit losses on financial assets measured at amortized cost, including trade receivables and investments in certain debt securities, by requiring recognition of an allowance for credit losses expected to be incurred over an asset's life based on relevant information about past events, current conditions, and supportable forecasts impacting its ultimate collectability. This current expected credit losses ("CECL") model will result in earlier recognition of credit losses than the current "as incurred" model, under which losses are recognized only upon the occurrence of an event that gives rise to the incurrence of a probable loss.

ASU 2019-05, *Financial Instruments – Credit Losses (Topic 326): Targeted Transition Relief*, was issued in May 2019 to provide target transition relief allowing entities to make an irrevocable one-time election upon adoption of the new credit losses standard to measure financial assets previously measured at amortized cost (except held-to-maturity securities) using the fair value option.

ASU 2019-11, *Codification Improvements to Topic 326, Financial Instruments – Credit Losses*, was issued in November 2019 to clarify, improve, and amend certain aspects of ASU 2016-13, such as disclosures related to accrued interest receivables and the estimation of credit losses associated with financial assets secured by collateral.

ASU 2020-03, *Codification Improvements to Financial Instruments*, was issued in March 2020 to improve and clarify various financial instruments topics, including the CECL standard issued in 2016. The ASU includes seven different issues that describe the areas of improvement and the related amendments to U.S. GAAP, intended to make the standards easier to understand and apply by eliminating inconsistencies and providing clarifications. Certain amendments contained within this update were effective upon issuance and had no material impact on our Consolidated Financial Statements. The amendments related to ASU 2019-04 and ASU 2016-13 will be adopted in conjunction with ASU 2016-13. ASU 2016-13 and its related ASUs are effective for us beginning January 1, 2023. We are currently evaluating the impact of this ASU on our Consolidated Financial Statements.

Income Taxes

In December 2019, the FASB issued ASU 2019-12, *Income Taxes (Topic 740) – Simplifying the Accounting for Income Taxes*, ("ASU 2019-12") which is intended to simplify various aspects related to accounting for income taxes. ASU 2019-12 removes certain exceptions to the general principles in Topic 740 and also clarifies and amends existing guidance to improve consistent application. ASU 2019-12 is effective for us beginning January 1, 2021. We are currently evaluating the impact of this ASU on our Consolidated Financial Statements.

Investments

In January 2020, the FASB issued ASU 2020-01, *Investments – Equity Securities (Topic 321), Investments – Equity Method and Joint Ventures (Topic 323), and Derivatives and Hedging (Topic 815): Clarifying the Interactions between Topic 321, Topic 323, and Topic 815*. This ASU provides clarification of the interaction of rules for equity securities, the equity method of accounting, and forward contracts and purchase options on certain types of securities and is effective for the Company beginning on January 1, 2021, with early adoption permitted. This new guidance is not expected to have a material impact on our Consolidated Financial Statements.

Reference Rate Reform

In March 2020, the FASB issued ASU 2020-04, *Reference Rate Reform (Topic 848): Facilitation of the Effects of Reference Rate Reform on Financial Reporting*, which provides optional expedients and exceptions for applying U.S. GAAP to contracts, hedging relationships, and other transactions that reference LIBOR or another reference rate expected to be discontinued because of reference rate reform. This new guidance can be adopted prospectively no later than December 1, 2022, with early adoption permitted, and is not expected to have a material impact on the Company's Consolidated Financial Statements.

In January 2021, the FASB issued ASU 2021-01, *Reference Rate Reform* (Topic 848): Scope, ("ASU 2021-01"), which clarifies certain optional expedients and exceptions in Topic 848 when accounting for derivative contracts and certain hedging relationships affected by changes in interest rates. ASU 2021-01 is effective upon issuance and the amendments within are applied either prospectively or retrospectively. ASU 2021-01 is not expected to have a significant impact on the Company's financial statements.

Debt

In August 2020, the FASB issued ASU 2020-06, *Debt – Debt with Conversion and Other Options (Subtopic 470-20) and Derivatives and Hedging – Contracts in Entity's Own Equity (Subtopic 815-40): Accounting for*

Convertible Instruments and Contracts in an Entity's Own Equity, which simplifies the accounting for convertible instruments by reducing the number of accounting models available for convertible debt instruments. This guidance also eliminates the treasury stock method to calculate diluted earnings per share for convertible instruments and requires the use of the if-converted method. This guidance will be effective for us January 1, 2022 on a full modified or modified retrospective basis, with early adoption permitted. We are currently evaluating the impact of this updated on our Consolidated Financial Statements.

3. REPORTABLE SEGMENTS AND REVENUE

The Company operates under one operating segment, which is its only reportable segment: the production and sale of cannabis products. The Company prepares its segment reporting on the same basis that its Chief Operating Decision Maker manages the business and makes operating decisions. The Company's measure of segment performance is net income and derives its revenue primarily from the sale of cannabis products. All of the Company's operations are located in the United States.

Disaggregation of Revenue

The Company disaggregates its revenue from the direct sale of cannabis to customers as retail revenue and wholesale revenue. We have determined that disaggregating revenue into these categories best depicts how the nature, amount, timing, and uncertainty of revenue and cash flows are affected by economic factors.

	Year Ended December 31,	
(in thousands)	**2020**	**2019**
Retail revenue	$ 103,859	$ 11,204
Wholesale revenue	57,452	1,970
	161,311	13,174
Elimination of inter-company revenue	(17,579)	(1,142)
Total revenue, net	$ 143,732	$ 12,032

4. ACQUISITIONS

The Company has determined that the acquisitions discussed below are considered business combinations under ASC Topic 805, *Business Combinations*, ("ASC Topic 805") and are accounted for by applying the acquisition method, whereby the assets acquired and the liabilities assumed are recorded at their fair values with any excess of the aggregate consideration over the fair values of the identifiable net assets allocated to goodwill. Operating results have been included in these Consolidated Financial Statements from the date of the acquisition.

2020 Acquisitions

Effective August 1, 2020, the Company acquired MOCA LLC ("MOCA"), a dispensary operator in the Chicago, Illinois area for total consideration of $22,312, consisting of $21,174 in cash, including working capital adjustments, and 8,125 common units of AWH with a fair value of $1,138. We incurred $263 of acquisition-related costs during 2020, which are included in "General and administrative" in the accompanying Consolidated Statement of Operations. The transaction was treated as a business combination under ASC Topic 805, and MOCA was consolidated as a VIE from the signing date until the final closing date in December 2020.

Effective September 29, 2020, the Company's subsidiary, Ascend New Jersey, LLC, acquired the assets and liabilities of Greenleaf Compassion Center ("GCC"), a vertically integrated operator in New Jersey with licenses for three retail locations and one cultivation and manufacturing facility. Total consideration for this acquisition was $16,307, which consisted of $13,626 of cash, 8,438 common units of AWH with a fair value of $1,181, and settlement of a $1,500 note receivable (see Note 6, "Notes Receivable"). We incurred $114 of acquisition-related costs during 2020, which are included in "General and administrative" in the accompanying Consolidated Statement of Operations.

Additionally, effective December 15, 2020, the Company acquired Chicago Alternative Health Center, LLC and Chicago Alternative Health Center Holdings, LLC (collectively, "Midway") for total cash consideration of $28,000, subject to certain adjustments including a customary working capital adjustment. The transaction was treated as a business combination under ASC Topic 805, and Midway is consolidated as a VIE from the signing date through the final closing date, which is pending the state's approval of the license transfer. We incurred $149 of acquisition-related costs during 2020, which are included in "General and administrative expenses" in the accompanying Consolidated Statement of Operations.

Preliminary Purchase Price Allocation

The Company allocated the purchase price of each of its acquisitions during 2020 as summarized in the table below. The purchase price allocation for these acquisitions reflects various preliminary fair value estimates and analyses, including certain tangible assets acquired and liabilities assumed, the valuation of intangible assets acquired, and goodwill, which are subject to change within the measurement period as preliminary valuations are finalized (generally one year from the acquisition date). Measurement period adjustments are recorded in the reporting period in which the estimates are finalized and adjustment amounts are determined.

(in thousands)	MOCA	GCC	Midway	Total
Assets acquired (liabilities assumed):				
Cash	$ 261	$ 39	$ 82	$ 382
Inventory	1,308	660	499	2,467
Prepaids and other current assets	1,367	—	14	1,381
Property and equipment[1]	790	—	2,016	2,806
Intangible assets[2]	10,661	11,845	15,108	37,614
Goodwill[3]	7,980	3,733	10,276	21,989
Trade names[2]	170	30	10	210
Other assets	83	—	50	133
Accounts payable and accrued liabilities	(308)	—	(55)	(363)
Net assets acquired	$ 22,312	$ 16,307	$ 28,000	$ 66,619
Consideration transferred:				
Cash[4]	$ 21,174	$ 13,626	$ 28,000	$ 62,800
Fair value of AWH common units	1,138	1,181	—	2,319
Settlement of note	—	1,500	—	1,500
Total consideration	$ 22,312	$ 16,307	$ 28,000	$ 66,619

(1) Consists of real property with a fair value of $876, furniture, fixtures and equipment of $1,399, and leasehold improvements of $531.

(2) The amortization period for the acquired intangible assets is 10 years and trade names is 6 months.

(3) Goodwill is largely attributable to the value we expect to obtain from long-term business growth and buyer-specific synergies. The goodwill is not deductible for tax purposes due to the limitations imposed on marijuana dispensaries under IRC Section 280E. See Note 14, "Income Taxes," for additional information.

(4) Includes working capital adjustments, as applicable. MOCA includes a seller's note of $11,174 that is included in "Current portion of debt, net" on the Consolidated Balance Sheet at December 31, 2020 and was paid in January 2021. Midway includes a total seller's note of $25,200, of which $17,200 is included in "Current portion of debt, net" and $8,000 is included in "Long-term debt, net" on the Consolidated Balance Sheet at December 31, 2020. See Note 11, "Debt," for additional information.

Pro Forma and Financial Information

The following table summarizes the revenue and net income related to MOCA, GCC, and Midway included in our consolidated results from the respective transaction dates (August 1, 2020, September 29, 2020, and December 15, 2020, respectively) through December 31, 2020:

(in thousands)	MOCA	GCC	Midway
Revenue, net	$ 13,011	$ 1,687	$ 747
Net income	304	657	61

The tables below summarize the unaudited pro forma combined revenue and net income (loss) of AWH, MOCA, GCC, and Midway for the years ended December 31, 2020 and 2019 as if the respective acquisitions had occurred on January 1, 2019. These results do not reflect the cost of integration activities or benefits from expected revenue enhancements and synergies. Accordingly, the unaudited pro forma information is not necessarily indicative of the results that would have been achieved if the acquisitions had been effective on January 1, 2019.

	Year Ended December 31, 2020					
(in thousands)	AWH (as reported)	MOCA	GCC	Midway	Pro Forma Adjustments[1]	Pro Forma Combined
Revenue, net	$ 143,732	$ 8,615	$ 3,046	$ 10,416	$ —	$ 165,809
Net income (loss)	(23,841)	786	926	2,680	(10,897)	(30,346)

(1) These adjustments include estimated additional incremental amortization expense of $2,879 on intangible assets acquired as part of the acquisitions as follows: $537 related to MOCA, $887 related to GCC, and $1,455 related to Midway. These adjustments also include estimated additional incremental interest expense of $8,544 on loans entered into during 2020, which borrowings were used to help fund these acquisitions. These results are also adjusted to exclude $526 of acquisition-related costs incurred during 2020, which are included in "General and administrative" on the accompanying Consolidated Statement of Operations. These adjustments are not tax-effected, as the related expenses are not deductible for tax purposes due to the limitations imposed on marijuana dispensaries under IRC Section 280E.

	Year Ended December 31, 2019					
(in thousands)	AWH (as reported)	MOCA	GCC	Midway	Pro Forma Adjustments[1]	Pro Forma Combined
Revenue, net	$ 12,032	$ 7,864	$ 2,984	$ 4,062	$ —	$ 26,942
Net income (loss)	(33,242)	1,231	(312)	577	(15,337)	(47,083)

(1) These adjustments include estimated additional amortization expense of $3,971 on intangible assets acquired as part of the acquisitions as follows: $1,236 related to MOCA, $1,214 related to GCC, and $1,521 related to Midway, each representing twelve months of amortization expense, respectively. These adjustments also include additional estimated interest expense of $11,366 as if the respective loans were outstanding for twelve months. These adjustments are not tax-effected, as the related expenses are not deductible for tax purposes due to the limitations imposed on marijuana dispensaries under IRC Section 280E.

2019 Acquisitions

Acquisition of HCI

On January 1, 2019, the Company acquired the membership interests of HealthCentral, LLC, ("HCI, LLC"), HealthCentral Illinois Holdings, LLC ("HCI Holdings"), and Springfield Partners II, LLC ("Springfield Partners II") (collectively, "HCI"). HCI, LLC is an Illinois based company that owned and operated two cannabis dispensaries pursuant to licenses issued by the Illinois Department of Financial and Professional Regulation, Division of Professional Regulation. Springfield Partners II owned one property that was utilized by HCI, LLC's operations. Total consideration of $11,143 consisted of i) $8,750 cash and ii) $2,393 fair value of non-controlling interest.

Purchase Price Allocation

(in thousands)	
Cash	$ 19
Property and equipment, net[1]	11,186
Intangible assets – cannabis licenses[2]	1,529
Goodwill[3]	809
Accounts payable	(8)
Other liabilities[4]	(2,393)
Net assets acquired	$ 11,143

(1) Consists of three properties with fair values totaling $11,074 and furniture and fixtures totaling $112.

(2) The amortization period for the acquired intangible assets is 10 years.

(3) Goodwill is largely attributable to the value we expect to obtain from long-term business growth and buyer-specific synergies. The goodwill is not deductible for tax purposes due to the limitations imposed on marijuana dispensaries under IRC Section 280E. See Note 14, “Income Taxes,” for additional information.

(4) Mortgages on acquired properties that were paid during 2019.

Other Financial Information

During 2019, we recorded revenue related to HCI of $10,496 and operating profit of $1,184. As the date of acquisition was January 1, 2019, our consolidated results for 2019 reflect a full year of HCI’s operations. We incurred $59 of acquisition-related costs, substantially all of which were incurred prior to 2019.

5. INVENTORY

The components of inventory are as follows:

	As of December 31,	
(in thousands)	**2020**	**2019**
Materials and supplies	$ 7,756	$ 6,877
Work in process	13,615	4,395
Finished goods	7,626	4,116
Total	$ 28,997	$ 15,388

Total compensation expense capitalized to inventory was $15,588 and $1,918 during 2020 and 2019, respectively. At December 31, 2020 and 2019, $5,909 and $1,186, respectively, of compensation expense remained capitalized as part of inventory.

6. NOTES RECEIVABLE

In April 2019, the Company issued a $1,750 non-interest bearing promissory note to BCCO, LLC (“BCCO”) an unrelated third party, with an initial maturity date of September 1, 2020, that remains outstanding at December 31, 2020. The Company also entered into a working capital line of credit with BCCO, allowing for maximum borrowings of $2,000, of which $1,794 and $1,251 was outstanding at December 31, 2020 and 2019, respectively. These balances are included in “Notes receivable” on the Consolidated Balance Sheets. The promissory note and working capital line of credit were issued in conjunction with a unit purchase option agreement that the parties entered into during 2019, the closing of which is pending state approval (see Note 15, “Commitments and Contingencies”). The promissory note and working capital line of credit were issued to provide BCCO with additional funding for operations while awaiting state approval of the transaction. The Company has not identified any collectability concerns for the amounts due as of December 31, 2020. The Company may settle the outstanding balances as part of the purchase price at closing following state approval of the transaction.

In April 2019, the Company issued a $1,500 promissory note to Marichron Pharma LLC ("Marichron"), an unrelated third party, with a stated interest rate of 12% per year and an initial maturity date of June 2020, that remains outstanding at December 31, 2020. The Company also entered into a working capital line of credit with Marichron, allowing for maximum borrowings of $1,000, of which $45 was outstanding at December 31, 2020 and 2019. These balances are included in "Notes receivable" on the Consolidated Balance Sheets. The promissory note and working capital line of credit were issued in conjunction with a unit purchase option agreement that the parties entered into during 2019. The promissory note and working capital line of credit were issued to provide Marichron with additional funding for operations. The Company has not identified any collectability concerns for the amounts due as of December 31, 2020. The Company expects to submit a license transfer application to the state during 2021 and may settle the outstanding balances as part of the purchase price at closing following state approval.

In May 2019, the Company issued a $2,500 non-interest bearing promissory note to Hemma, LLC ("Hemma"), an unrelated third party, with an initial maturity date of December 31, 2020. The Company also entered into a working capital line of credit with Hemma, allowing for maximum borrowings of $4,000, of which $670 and $654 was outstanding at December 31, 2020 and 2019, respectively. These balances are included in "Notes receivable" on the Consolidated Balance Sheets. The promissory note and working capital line of credit were issued in conjunction with a membership interest purchase agreement that the parties entered into during 2019, the closing of which is pending state approval (see Note 15, "Commitments and Contingencies"). The promissory note and working capital line of credit were issued to provide Hemma with additional funding for operations while awaiting state approval of the transaction. The Company has not identified any collectability concerns for the amounts due as of December 31, 2020. The Company may settle the outstanding balances as part of the purchase price at closing following state approval of the transaction.

In June 2019, the Company entered into a loan agreement with GCC under which it issued a $1,500 promissory note. This note has an initial maturity date of June 17, 2022 and an interest rate of 18% per annum. The Company acquired GCC during 2020 and settled the outstanding balance of the note as part of the purchase price at closing. The Company did not recognize interest income on this note. Refer to Note 4, "Acquisitions," for additional information related to this acquisition.

In May 2020, the Company issued a $500 promissory note to a related party entity that is managed by one of the founders of the Company. The short-term promissory note had a principal amount of $500, a stated annual interest rate of 2%, and an initial maturity date of December 31, 2020. All obligations thereunder were repaid in full in November 2020.

In October 2020, the Company issued a $4,500 promissory note to the owner of a property the Company is renting. This note bears interest at 4% per annum due monthly, in arrears, in along with monthly principal payments. The note matures on November 1, 2030 and is secured by the owner's interest in the property. The total outstanding balance of this note at December 31, 2020 was $4,473, of which $151 and $4,322 is included in "Other current assets" and "Other noncurrent assets," respectively, on the Consolidated Balance Sheet. The Company funded this note through a $4,500 term loan; refer to Note 11, "Debt," for additional information.

7. PROPERTY AND EQUIPMENT

Property and equipment and related depreciation consist of the following:

	As of December 31,	
(in thousands)	**2020**	**2019**
Buildings	$ 38,561	$ 25,322
Leasehold improvements	33,931	13,906
Furniture, fixtures, and equipment	28,554	12,427
Construction in progress	25,139	28,901
Land	894	430
Property and equipment, gross	127,079	80,986
Less: accumulated depreciation	6,539	1,509
Property and equipment, net	$ 120,540	$ 79,477

Total depreciation expense was $5,030 and $1,509 during 2020 and 2019, respectively. Total depreciation expense capitalized to inventory was $4,297 and $589 during 2020 and 2019, respectively. At December 31, 2020 and 2019, $602 and $516, respectively, of depreciation expense remained capitalized as part of inventory.

8. VARIABLE INTEREST ENTITIES

The following table represents the summarized financial information about the Company's consolidated VIEs which are included in the Consolidated Balance Sheets and Statements of Operations as of and for the years ended December 31, 2020 and 2019. These entities were determined to be VIEs since the Company possesses the power to direct the significant activities of the VIEs and has the obligation to absorb losses or the right to receive benefits from the VIE.

	December 31, 2020		December 31, 2019	
(in thousands)	**Ascend Illinois**	**Ascend Michigan**	**Ascend Illinois**	**Ascend Michigan**
Current assets	$ 54,787	$ 11,355	$ 14,735	$ 20,105
Non-current assets	151,449	58,516	71,041	44,456
Current liabilities	62,508	5,553	6,876	3,949
Non-current liabilities	134,792	37,809	62,551	37,906
Deficit attributable to non-controlling interests	—	—	(1,347)	—
Equity (deficit) attributable to AWH	9,322	(23,822)	(2,797)	(7,137)
Revenue	120,004	11,719	11,323	708
Net income (loss) attributable to non-controlling interests	1,598	—	(1,347)	—
Net income (loss) attributable to AWH	14,363	(16,684)	(4,459)	(6,397)
Net income (loss)	$ 15,961	$ (16,684)	$ (5,806)	$ (6,397)

In December 2020, the sole member of FPAW Michigan 2, Inc. ("Ascend Michigan") assigned his interests to AWH, thereby making AWH the majority member, retaining 99.9% of the membership interests in Ascend Michigan. The previous member is a founder of the Company and has a significant equity interest in the Company. Ascend Michigan was previously accounted for as a VIE because the Company possessed the power to direct the significant activities of the VIE and had the obligation to absorb losses or the right to receive benefits from the VIE. Subsequent to the assignment of the member interests, Ascend Michigan is considered a wholly owned subsidiary. The assignment had no significant impact on the Company's results, as Ascend Michigan was previously consolidated as a VIE and will continue to be consolidated as a subsidiary. No impairment of assets or impact on results of operations occurred with the transfer of member interests. Based on the timing of the transfer in December

2020, the financial information as of and for the year ended December 31, 2020 related to Ascend Michigan is reflected in the table above.

The net change in the non-controlling interests during 2020 and 2019 follows in the table below. There were no non-controlling interests other than within Ascend Illinois.

(in thousands)	Ascend Illinois
Balance, December 31, 2018	$ —
Changes in ownership[1]	2,393
Net loss	(1,347)
Balance, December 31, 2019	$ 1,046
Changes in ownership[2]	(2,644)
Net income	1,598
Balance, December 31, 2020	$ —

(1) Fair value of non-controlling interest consideration related to the HCI Acquisition in 2019. Refer to Note 4, “Acquisitions,” for additional information related to this acquisition.

(2) Effective July 30, 2020, the Company purchased the non-controlling interests of Ascend Illinois for $11,000 of cash, to be paid quarterly through December 2023, and 7,271 of common units with a fair value of $1,018. See Note 11, “Debt,” for additional information regarding the cash payment.

9. INTANGIBLE ASSETS AND GOODWILL

Intangible Assets

	As of December 31,	
(in thousands)	**2020**	**2019**
Finite-lived intangible assets		
Licenses and permits	$ 39,888	$ 1,666
In-place leases	19,963	19,963
Trade names	210	—
	60,061	21,629
Accumulated amortization:		
Licenses and permits	(1,080)	(153)
In-place leases	(8,362)	(1,916)
Trade names	(158)	—
	(9,600)	(2,069)
Total intangible assets, net[1]	$ 50,461	$ 19,560

(1) These intangible assets are being amortized over the expected period of benefit, with a weighted average remaining life of approximately 9 years as of December 31, 2020.

Purchases of Intangible Assets

2020 Activity

In August 2020, the Company purchased the Massachusetts recreational license held by Southcoast Apothecary, LLC (“Southcoast”) for total consideration of approximately $608, which was satisfied by the issuance of 3,437

common units with a fair value of $481 and a cash payment of $127. The Company also purchased a property that was being rented by Southcoast for $749 of cash consideration.

2019 Activity

In April 2019, the Company acquired a lease for a property to be used as a medical cannabis provisioning center in Detroit, Michigan for $4,200, which was allocated to an in-place lease intangible asset.

In July 2019, the Company acquired a lease for a property to be used as a medical cannabis provisioning center in Battle Creek, Michigan for $2,900, which was allocated to an in-place lease intangible asset.

In September 2019, the Company acquired a lease for property to be used as a medical cannabis provisioning center in Ann Arbor, Michigan (the "Ann Arbor Lease"). Total consideration of $7,763 consisted of a $2,250 cash payment, a $5,250 promissory note (see Note 11, "Debt"), and 625 common units with a total fair value of $263, and was allocated to an in-place lease intangible asset.

In September 2019, the Company entered into a purchase agreement to obtain certain locations in Michigan. The Company paid $5,100 to obtain one-year leases at these locations until the transaction closed, which was allocated to an in-place lease intangible asset. In December 2020, the counterparties of the purchase agreement filed a claim against the Company. Refer to Note 15, "Commitments and Contingencies," for additional information.

Estimated Annual Amortization Expense for Each of the Next Five Years

(in thousands)	**2021**	**2022**	**2023**	**2024**	**2025**
Estimated amortization expense[1]	$ 6,318	$ 6,185	$ 6,185	$ 5,313	$ 4,765

(1) These amounts could vary as acquisitions of additional intangible assets occur in the future.

Goodwill

(in thousands)	
Balance, December 31, 2018	$ —
Acquisitions	809
Balance, December 31, 2019	$ 809
Acquisitions	21,989
Balance, December 31, 2020	$ 22,798

10. LEASES

The Company leases land, buildings, equipment, and other capital assets which it plans to use for corporate purposes and the production and sale of cannabis products. We determine if an arrangement is a lease at inception and begin recording lease activity at the commencement date, which is generally the date in which we take possession of or control the physical use of the asset. ROU assets and lease liabilities are recognized based on the present value of lease payments over the lease term with lease expense recognized on a straight-line basis. We use our incremental borrowing rate to determine the present value of future lease payments unless the implicit rate is readily determinable. Our incremental borrowing rate is the rate of interest we would have to pay to borrow on a collateralized basis over a similar term at an amount equal to the lease payments in a similar economic environment. This incremental borrowing rate is applied to the minimum lease payments within each lease agreement to determine the amounts of our ROU assets and lease liabilities.

Our lease terms range from 1 to 20 years. Some leases include one or more options to renew, with renewal terms that can extend the lease terms. We typically exclude options to extend the lease in a lease term unless it is

reasonably certain that we will exercise the option and when doing so is at our sole discretion. The depreciable lives of assets and leasehold improvements are limited by the expected lease term unless there is a transfer of title or purchase option reasonably certain of exercise. Typically, if we decide to cancel or terminate a lease before the end of its term, we would owe the lessor the remaining lease payments under the term of such lease. Our lease agreements generally do not contain any material residual value guarantees or material restrictive covenants. We may rent or sublease to third parties certain real property assets that we no longer use.

Lease agreements may contain rent escalation clauses, rent holidays, or certain landlord incentives, including tenant improvement allowances. ROU assets include amounts for scheduled rent increases and are reduced by lease incentive amounts. Certain of our lease agreements include variable rent payments, consisting primarily of rental payments adjusted periodically for inflation and amounts paid to the lessor based on cost or consumption, such as maintenance and utilities. Variable rent lease components are not included in the lease liability.

The components of lease assets and lease liabilities and their classification on our Consolidated Balance Sheets were as follows:

		As of December 31,	
(in thousands)	**Classification**	**2020**	**2019**
Lease assets			
Operating leases	Operating lease right-of-use assets	$ 84,642	$ 34,400
Lease liabilities			
Current liabilities			
Operating leases	Operating lease liabilities, current	$ 2,128	$ 660
Noncurrent liabilities			
Operating leases	Operating lease liabilities, noncurrent	156,400	63,642
Total lease liabilities		$ 158,528	$ 64,302

The components of lease costs and classification within the Consolidated Statements of Operations were as follows:

	Year Ended December 31,	
(in thousands)	**2020**	**2019**
Operating lease costs		
Capitalized to inventory	$ 11,958	$ 969
General and administrative expenses	4,645	4,859
Total operating lease costs	$ 16,603	$ 5,828

At December 31, 2020 and 2019, $4,913 and $969, respectively, of lease costs remained capitalized in inventory.

The following table presents information on short-term and variable lease costs:

	Year Ended December 31,	
(in thousands)	**2020**	**2019**
Total short-term and variable lease costs	$ 2,615	$ 735

Sublease income generated during 2020 and 2019 was immaterial.

The following table includes supplemental cash and non-cash information related to our leases:

	Year Ended December 31,	
(in thousands)	**2020**	**2019**
Cash paid for amounts included in the measurement of lease liabilities		
Operating cash flows from operating leases	$ 12,895	$ 5,172
Lease assets obtained in exchange for new operating lease liabilities	$ 91,367	$ 45,108

The weighted average remaining lease term for our operating leases is 17.3 years and 17.7 years at December 31, 2020 and 2019, respectively, and the weighted average discount rate is 13.1% and 13.0% at December 31, 2020 and 2019, respectively.

The amounts of future undiscounted cash flows related to the lease payments over the lease terms and the reconciliation to the present value of the lease liabilities as recorded on our Consolidated Balance Sheet as of December 31, 2020 are as follows:

(in thousands)	**Operating Lease Liabilities**
2021	$ 20,345
2022	20,999
2023	21,600
2024	22,218
2025	22,866
Thereafter	319,943
Total lease payments	427,971
Less: imputed interest	269,443
Present value of lease liabilities	$ 158,528

Sale Leaseback Transactions

2020 Activity

In March 2020, the Company sold and subsequently leased back one of its capital assets for total proceeds of $3,750, excluding transaction costs. This transaction did not meet the criteria to qualify for sale-leaseback treatment. The “sold” assets remain within land, buildings, and leasehold improvements, as appropriate, for the duration of the lease and a financing liability equal to the amount of proceeds received is recorded within “Current portion of debt, net” and “Long-term debt, net” on the accompanying Consolidated Balance Sheets. Upon expiration or termination of the underlying lease, the sale will be recognized by removing the carrying value of the capital assets and financing liability, with any difference recorded as a gain.

In April 2020, the Company sold and subsequently leased back one of its capital assets for total proceeds of $26,750, excluding transaction costs and recorded a loss on sale of $286. The transaction met the criteria for sale-leaseback treatment. As such, the lease was recorded as an operating lease and resulted in a lease liability of $55,287 and an ROU asset of $33,037, which was recorded net of a $22,250 tenant improvement allowance that is recorded in “Other current assets” on the accompanying Consolidated Balance Sheet at December 31, 2020.

2019 Activity

During 2019, the Company closed on a sale and leaseback transaction to sell one of its Michigan properties for $4,750. The Company is expected to make certain improvements to the property for which the landlord has agreed to provide reimbursement up to $15,000 (the “Tenant Improvement Allowance”), which is recorded in “Other current assets” on the accompanying Consolidated Balance Sheet at December 31, 2020 and 2019. The lease was

recorded as an operating lease and resulted in a lease liability of $22,435 and an ROU asset of $7,435, which was recorded net of the Tenant Improvement Allowance.

Additionally, during 2019, the Company sold and subsequently leased back two of its capital assets for total proceeds of $14,000, excluding transaction costs. These transactions did not meet the criteria to qualify for sale-leaseback treatment. The "sold" assets remain within land, buildings, and leasehold improvements, as appropriate, for the duration of the lease and a financing liability equal to the amount of proceeds received is recorded within "Current portion of debt, net" and "Long-term debt, net" on the accompanying Consolidated Balance Sheets. Upon expiration or termination of the underlying leases, the sales will be recognized by removing the carrying values of the capital assets and financing liabilities, with any differences recorded as a gain.

11. DEBT

	As of December 31,	
(in thousands)	**2020**	**2019**
2018 Secured Term Notes[1]	$ —	$ 18,020
Capital Construction Loan[2]	11,624	6,500
AWH Convertible Promissory Notes[3]	75,484	28,222
July 2019 Notes[4]	10,000	10,000
Ann Arbor Note[5]	5,250	5,250
October 2020 Credit Facility[6]	25,260	—
NJ Term Loan[7]	20,000	—
NJ Real Estate Loan[8]	4,500	—
Sellers' Notes[9]	45,782	—
Finance liabilities[10]	17,129	13,857
Total debt	$ 215,029	$ 81,849
Current portion of debt	$ 60,357	$ 410
Less: unamortized deferred financing costs	(1,027)	—
Current portion of debt, net	$ 59,330	$ 410
Long-term debt	$ 154,672	$ 81,439
Less: unamortized deferred financing costs	(2,395)	(36)
Long-term debt, net	$ 152,277	$ 81,403

(1) In December 2018, the Company entered into a secured note purchase agreement to issue up to $25,000 of notes within one month of the initial closing (the "2018 Secured Term Notes"). The initial proceeds were used primarily for the purchase and development of a property in Athol, Massachusetts (the "Athol Property"). These notes had an interest rate of 20% per annum, due quarterly, a maturity date of January 31, 2025, and were secured by interests in the Athol Property. In April 2020, in conjunction with a sale-leaseback of the Athol Property (see Note 10, "Leases"), the Company repaid $15,317 of the outstanding principal, plus accrued interest and a 5% pre-payment penalty. The remaining principal balance of $2,703 was replaced and reissued under a new one year secured note purchase agreement with an interest rate of 25% (the "April 2020 Term Notes"). The Company pre-paid the April 2020 Term Notes, plus accrued interest, in August 2020, without prepayment penalty. Approximately $33 of unamortized debt issuance costs related to these notes were expensed to interest expense when the debt was repaid.

(2) In May 2019, the Company entered into a loan and security agreement that provides for up to a maximum loan amount of $12,500 for the purchase of a building and related renovation (the "2019 Capital Construction Loan"). This loan matures on May 29, 2024 and is secured by the related property. Interest accrues at 14% per annum, compounded monthly. For the first year, interest accrues and is deferred as part of the principal balance payable at maturity and thereafter is due monthly, in arrears. Prepayment is permitted, subject to certain terms and fees. In conjunction with this loan, we are required to maintain

certain funds in a construction reserve account that will be applied for future renovation costs. These funds are reflected as "Restricted cash" on the Consolidated Balance Sheet.

(3) In June 2019, the Company entered into a convertible note purchase agreement whereby the Company can issue up to $35,000 of convertible notes, which amount can be increased at the Company's sole discretion (the "AWH Convertible Promissory Notes," each an "AWH Note"). The AWH Convertible Promissory Notes are convertible into common units of the Company on occurrence of certain events, such as a change of control or an initial public offering ("IPO") (which events had not occurred through December 31, 2020). Upon the occurrence of an IPO, each AWH Note, including interest thereon less applicable withholding taxes, will automatically convert into equity securities issued in connection with the IPO, with the number of securities issued on the basis of a price equal to the lesser of: (a)(i) a 20% discount to the issue price if an IPO occurs on or before 12 months from each note issuance; (ii) a 25% discount to the issue price if an IPO occurs after 12 months of each note issuance, but before maturity; and (b) the conversion price then in effect based on a defined pre-money valuation of the Company. Any conversion will be treated as a share-settled redemption and the related principal plus accrued interest will be reclassified to equity with no gain or loss recorded.

Each AWH Note matures two years from its issue date and can either be paid in full at maturity or converted into common units. Each AWH Note bears interest at 8% for the first twelve months, 10% for months thirteen through fifteen, and 13% thereafter through maturity. Interest is paid-in-kind and added to the outstanding balance of the note, to be paid at maturity or upon conversion. $1,000 of these notes were issued to related party entities that are managed by one of the founders of the Company. In conjunction with these notes, during 2019 the Company issued warrants to purchase 1,524 common units at $2.00 per unit that can be exercised for three years from issuance. The total fair value of these warrants at issuance was *de minimis*. In conjunction with the AWH Convertible Notes issued during 2020, the Company issued warrants to purchase 2,413 common units at $2.00 per unit that can be exercised for three years from issuance. The total fair value of $61 was recorded as a discount on the related notes and is being amortized to interest expense over the term of the related notes. Refer to Note 12, "Members' Equity," for additional details.

(4) In July 2019, the Company entered into a note purchase agreement, under which it issued two notes (the "July 2019 Notes") totaling $10,000 that mature on July 1, 2024 and are secured by the assets of Ascend Ohio, LLC. These notes bear interest at 15% per annum, to be paid quarterly until maturity. In conjunction with these notes, the Company issued warrants to purchase 2,188 common units at $1.60 per unit. The fair value of the warrants at issuance was *de minimis*. Refer to Note 12, "Members' Equity," for additional details.

(5) In connection with the Ann Arbor Lease (see Note 9, "Intangible Assets and Goodwill") in September 2019, the Company issued a secured promissory note due September 10, 2022 (the "Ann Arbor Note"). This note has an interest rate of 10% per annum to be paid monthly. Principal is due in full at maturity and prepayments are permitted without penalty.

(6) In October 2020, the Company entered into a $38,000 senior secured credit facility (the "October 2020 Credit Facility"), consisting of a $25,000 initial term loan and $13,000 aggregate principal of delayed draw term loans. The initial term loan was funded in October 2020 and the delayed draw term loans remain available for future funding. The October 2020 Credit Facility has an initial term of three years, but may be extended for up to two additional years upon satisfaction of certain conditions. Borrowings bear interest at 14.25% during the first three years, due quarterly in arrears and payable in arrears upon any prepayment and at maturity. Borrowings under the October 2020 Credit Facility are secured by a first priority senior secured lien on the assets of the Company and its subsidiaries with operations or assets located in Illinois and Massachusetts, other than certain defined excluded property. The October 2020 Credit Facility contains certain covenants, including a minimum cash balance requirement of $5,000 at the end of each fiscal month and a minimum cash to consolidated fixed charge ratio of 2.00 to 1.00. The Company was in compliance with these covenants at December 31, 2020. The October 2020 Credit Facility also contains certain customary events of default. The Company issued warrants for an aggregate of 2,500 common units with an exercise price of $2.00 per unit that can be exercised for five years from issuance. The fair value of $75 at issuance was recorded as a discount to the loan and is being amortized to interest expense over the term of the loan. Additional warrants may be issued for any draws under the delayed draw term loans. We incurred $1,810 of financing costs related to the loan that are being amortized to interest expense over the term of the loan. The lender is due an additional interest payment of $3,750 at maturity, subject to adjustment if the loans are extended. This payment may be settled in cash or equity at the lender's option and is being accreted as additional debt over the term of the loan.

(7) In October 2020, the Company entered into a financing agreement under which it can borrow up to $20,000 in the aggregate through term loans (the "NJ Term Loan"). In November 2020, the Company borrowed the full $20,000. Borrowings under the NJ Term Loan bears interest at a rate of 17.0% per annum and interest is due quarterly, in arrears. Borrowings under the NJ Term Loan are secured by (i) a first priority senior secured lien on substantially all of the assets and property of Ascend New Jersey, LLC and its subsidiaries, subject to certain customary exclusions, and (ii) a guarantee of AWH NJ Holdings, LLC. A prepayment of the outstanding balance under the NJ Term Loan is due in 2023 based on defined excess cash flow at that time and the remainder of the then-outstanding principal balance is due and payable at maturity on October 29, 2025.

The NJ Term Loan contains certain covenants, including a maximum debt to assets ratio of 70% as defined in the agreement. The Company was in compliance with these covenants at December 31, 2020. The NJ Term Loan also includes customary events of default. We incurred $1,454 of financing costs that are being amortized to interest expense over the term of the loan.

(8) In December 2020, the Company entered into a loan and security agreement for a $4,500 term loan due December 29, 2023 (the "NJ Real Estate Loan"). The NJ Real Estate Loan bears interest at 12.0% per annum and is due monthly, in arrears. Principal is due at maturity; prepayments are permitted with notice and subject to a prepayment fee. We incurred $135 of financing costs that are being amortized to interest expense over the term of the loan. Proceeds under the NJ Real Estate Loan were used to fund a loan receivable to the owners of a property leased by the Company (see Note 6, "Notes Receivable"). The NJ Real Estate Loan is secured by the loan receivable on the property.

(9) Sellers' Notes consist of amounts owed for acquisitions or other purchases. At December 31, 2020, $11,174 is due under the purchase agreement to the former owners of MOCA. This amount is included in "Current portion of debt, net" on the Consolidated Balance Sheet at December 31, 2020 and was paid in January 2021.

A total of $25,200 is due to the former owners of Midway. Of this balance, $17,200 is due at final closing in 2021 and is included in "Current portion of debt, net" on the Consolidated Balance Sheet at December 31, 2020. Interest of 13% per annum is due monthly on this payment. An additional $8,000 holdback payment is due one year from final closing as is included in "Long-term debt, net" on the Consolidated Balance Sheet at December 31, 2020. This holdback accrues interest at 13% per year from the final closing date until payment.

Additionally, as part of the purchase of the non-controlling interest (see Note 8, Variable Interest Entities), the Company will pay $11,000 to the former owners, payable in quarterly installments through December 2023. These payments do not bear interest and there therefore recorded at a discounted present value of $10,973, which discount will be accreted as interest expense as payments are made. The Company made payments of $1,571 during 2020. At December 31, 2020, $3,140 and $6,268 is included in "Current portion of debt, net" and "Long-term debt, net" respectively on the Consolidated Balance Sheet.

(10) Finance liability related to failed sale leaseback transactions. See Note 10, "Leases," for additional details.

Debt Maturities

During 2020 and 2019, we repaid $19,591 and $6,018 of principal under our notes. At December 31, 2020, the following cash payments are required under our debt arrangements:

(in thousands)	2021	2022	2023	2024	2025	Thereafter	Total
Term note maturities	$ 28,222	$ 52,512	$ 33,250	$ 21,624	$ 20,000	$ —	$ 155,608
Sellers' notes[1]	31,517	11,143	3,143	—	—	—	45,803
Cash payments due under financing liabilities[1]	2,022	2,082	2,143	2,206	2,271	9,149	19,873

(1) Certain cash payments include an interest accretion component.

Interest Expense

Interest expense related to the Company's debt during 2020 and 2019 consisted of the following:

	Year Ended December 31,	
(in thousands)	2020	2019
Cash interest on notes	$ 6,204	$ 3,229
Accretion	5,398	2,832
Interest on financing liability[1]	1,391	416
Total	$ 12,993	$ 6,477

(1) Interest on financing liability related to failed sale leasebacks.

12. MEMBERS' EQUITY

Share Capital

Pursuant to its operating agreement, the Company is authorized to issue Common Units, Preferred Units, and Restricted Common Units (see Note 13, "Equity-Based Compensation Expense"), all with no par value. Preferred Units collectively includes Series Seed Preferred Units, Series Seed+ Preferred Units, and Real Estate Preferred Units, unless otherwise specified. All unit issuances must be approved by the Board of Managers of the Company. All share classes are included within "Share capital" in the Consolidated Statements of Changes in Members' Equity on an as-converted to common units basis. In June 2019, the Company authorized a 10-for-1 unit split, which is reflected throughout the Financial Statements.

Subject to certain terms and conditions, the Company first, and each member holding Preferred Units and/or Common Units second, shall have a right of first refusal if any other member receives a bona fide offer that the Offering Member desires to accept to transfer all or any portion of the applicable units it owns.

Each holder of Preferred Units or Common Units has pre-emptive rights to purchase its applicable pro rata portion of any new securities the Company may propose to issue or sell to any party. Each Preferred Unit is convertible, at the option of the holder, at any time and from time to time, and without the payment of additional consideration by the holder thereof, into fully paid and non-assessable Common Units on a one-for-one basis subject to adjustment for unit splits or combinations, certain dividends, and distributions if/as applicable.

Any distributions determined by the Board are first made to the members holding Preferred Units in proportion to and up to the amounts necessary for each member to have received cumulative distributions equal to such members' capital contribution attributable to such Preferred Units, second to the Members holding Real Estate Preferred Units covering such member's unpaid yield (equal to the excess of 50% of the initial cost of such unit), and third to Common Units, Real Estate Preferred Units, and Incentive Units pro rata in proportion to their aggregate holdings of Common Units and Incentive Units treated as one class of Units on an as-converted basis.

The Preferred Units are convertible at the option of the Holder into common units on a one-for-one basis. In addition, if a go-public transaction were to occur then each common unit, Series Seed Preferred Unit, and Series Seed+ Preferred Unit would convert on a one-for-one basis. Each Real Estate Preferred unit would convert at a rate of one plus 1.5x, divided by the price at which the securities are sold to the public. This conversion feature for the Real Estate Preferred Units is considered a contingent beneficial conversion feature that would only be recognized if the event occurs. Such conversion event has not occurred through of December 31, 2020.

The following table summarizes the member units outstanding:

	As of December 31,	
(in thousands)	**2020**	**2019**
Common Units	96,094	63,571
Real Estate Preferred Units	45,602	45,602
Series Seed Preferred Units	28,505	28,505
Series Seed+ Preferred Units	41,964	41,964
Total	212,165	179,642

2020 Financing Activity

During 2020, the Company issued a total of 16,563 of common units in business acquisitions (refer to Note 4, "Acquisitions") and 3,437 of common units in an asset purchase (refer to Note 9, "Intangible Assets and Goodwill"). Additionally, the Company issued a total of 7,271 of common units in the purchase of the non-controlling interests of Ascend Illinois (see Note 8, "Variable Interest Entities").

2019 Financing Activity

During 2019, the Company issued 41,964 of Series Seed+ Preferred Units for gross proceeds of $37,768. Issuance costs were immaterial. Additionally, in August 2019, the Company issued 446 common units for total proceeds of $713. As discussed in Note 9, “Intangible Assets and Goodwill,” we issued 625 common units in conjunction with the acquisition of the Ann Arbor Lease.

Warrants

During 2019, upon the execution of the AWH Convertible Promissory Notes, certain note holders received warrants to purchase 1,524 of common units at an exercise price of $2.00 that can be exercised for three years from issuance. In July 2019, in conjunction with the July 2019 Notes, we issued warrants to purchase 2,188 of common units at an exercise price of $1.60 that can be exercised for two years or upon the closing of a public offering. Additionally, during 2019 we issued other warrants to purchase 625 common units at an exercise price of $2.00 that can be exercised for three years from issuance. The fair value of the warrants issued during 2019 was *de minimis*.

In conjunction with the AWH Convertible Notes issued during 2020, the Company issued warrants to purchase 2,413 common units at $2.00 per unit with an estimated total fair value of $61. These warrants can be exercised for three years from issuance. Additionally, in conjunction with the October 2020 Credit Facility, the Company issued warrants for an aggregate of 2,500 common units with an exercise price of $2.00 per unit and an estimated total fair value of $75. These warrants can be exercised for five years from issuance.

The warrants issued are equity-classified instruments, are subject to customary anti-dilution adjustments, are stand-alone instruments, and are not part of the terms of the notes to which they were issued. The fair value of such warrants is recorded as discount on the related notes and is amortized to interest expense over the term of the related notes. The fair value of the warrants is calculated using a Black-Scholes model. The fair values per warrant at issuance ranged from $0.01 to $0.05 and significant assumptions used in the calculation included volatility ranging from 69.2% to 108.4% and risk-free rates ranging from 0.17% to 2.17%. The weighted-average remaining contractual life of the warrants outstanding as of December 31, 2020 is 2.4 years and such warrants have no intrinsic value.

13. EQUITY-BASED COMPENSATION EXPENSE

In 2019, the Company’s Board of Managers approved an Equity Incentive Plan (the “Incentive Plan”) pursuant to which the Company can issue equity incentives. Company directors, officers, employees, and certain independent contractors (each, a “Grantee”) are eligible to receive awards of Incentive Units under the Incentive Plan. The number of Incentive Units the Company may issue under the Incentive Plan is limited to 10% of the aggregate total of Preferred Units and Common Units outstanding on a fully diluted basis as of the date of the grant. Any Incentive Units that are forfeited or repurchased by the Company are eligible for re-distribution under the Incentive Plan. The Incentive Units are granted as “profits interests” that provide for the Grantees to share in the proceeds of a liquidity event above a valuation hurdle specified in each award agreement. Such distributions would be made on a pro-rata basis after priority is given to the members holding Preferred Units and Common Units.

The Incentive Plan is administered by a committee designated by the Board of Members of the Company that establishes exercise prices, expiry dates, and vesting requirements. Vesting may be based on the continued service of the Grantee or on the achievement of performance goals set out in the Award Agreement. Incentive Units may also be fully vested on the date of grant. The Committee may, at any time, waive or accelerate the vesting requirements. The Incentive Units generally vest over two or three years. The estimated fair value of the Incentive Units at issuance is recognized as compensation expense over the related vesting period. In the event of a change of control or an Initial Public Offering, all unvested Incentive Units outstanding at such time shall fully vest on the date of the event.

The Company adopted a new incentive plan in November 2020 (the “2020 Plan”) which, among other changes, authorizes the issuance of incentive common unit options and restricted units (collectively, “Awards”).

(in thousands, except per unit data)

Approximately 19,887 restricted common units were issued under the plan during 2020. The maximum number of Awards to be issued under the 2020 Plan is 20,061 and any Awards that expire or are forfeited may be re-issued. Unless otherwise specified, the Awards may not be exercised for six months following a Go-Public transaction. The Awards generally vest over two or three years. The estimated fair value of the Awards at issuance is recognized as compensation expense over the related vesting period. Upon adoption of the 2020 Plan, the Incentive Units previously issued were cancelled and converted into restricted common units that are considered fully issued and outstanding.

The following table summarizes the Incentive Units activity through conversion:

	Number of Units
Unvested, December 31, 2019	4,300
Granted	1,706
Vested	(2,769)
Cancelled	(3,237)
Unvested, December 31, 2020	—

The Company recognized $367 and $311 as compensation expense in connection with the Incentive Units during 2020 and 2019, respectively, which is included in “General and administrative” on the Consolidated Statements of Operations.

The following table summarizes the restricted common units activity:

	Number of Units
Unvested, December 31, 2019	—
Granted	19,887
Vested	(5,252)
Forfeited	(76)
Unvested, December 31, 2020	14,559

The Company recognized $313 as compensation expense in connection with the restricted common units during 2020, which is included in “General and administrative” on the Consolidated Statements of Operations. As of December 31, 2020, total unrecognized compensation cost related to restricted common units was $1,802, which is expected to be recognized over the weighted-average remaining vesting period of 1.4 years.

14. INCOME TAXES

Since the Company operates in the cannabis industry, it is subject to the limitations of IRC Section 280E, which prohibits businesses engaged in the trafficking of Schedule I or Schedule II controlled substances from deducting ordinary and necessary business expenses from gross profit. Cannabis businesses operating in states that align their tax codes with IRC Section 280E are also unable to deduct ordinary and necessary business expenses for state tax purposes. Ordinary and necessary business expenses deemed non-deductible under IRC Section 280E are treated as permanent book-to-tax differences. Therefore, the effective tax rate can be highly variable and may not necessarily correlate with pre-tax income or loss.

Effective January 1, 2020, AWH elected to be treated as a C-Corporation for Federal income tax purposes. AWH did not recognize any deferred taxes as a result of this change, as AWH did not have any temporary book-to-tax differences prior to this election, largely due to the limitations of IRC Section 280E.

Components of Income Tax Expense

	Year Ended December 31,	
(in thousands)	**2020**	**2019**
Current taxes:		
Federal	$ 13,879	$ 1,230
State	6,109	551
Deferred taxes:		
Federal	(922)	(502)
State	(364)	(612)
Total income tax expense	$ 18,702	$ 667

Reconciliation of the U.S. Statutory Tax Rate to Annual Effective Tax Rate

	Year Ended December 31,	
($ in thousands)	**2020**	**2019**
Loss before income taxes	$ (5,139)	$ (32,575)
U.S. Statutory Rate	21 %	21 %
Recovery based on Statutory Rate	$ (1,079)	$ (6,841)
Expense (recovery) resulting from:		
State and local income taxes	5,745	(62)
Nondeductible permanent items	13,990	4,771
Pass-through entities & non-controlling interests	46	2,799
Income tax expense	$ 18,702	$ 667

Components of Deferred Tax Assets and Liabilities

	As of December 31,	
(in thousands)	**2020**	**2019**
Deferred tax assets attributable to:		
State net operating loss carryforwards	$ 370	$ 593
Federal net operating loss carryforwards	—	460
Operating lease liabilities	40,543	12,410
Property and equipment	193	37
Other	—	14
Gross deferred tax assets	41,106	13,514
Valuation allowance	—	—
Total deferred tax assets	$ 41,106	$ 13,514
Deferred tax liabilities attributable to:		
Operating lease right-of-use assets	$ (19,129)	$ (5,732)
Tenant improvement allowance	(7,197)	(6,673)
Property and equipment	(12,385)	—
Total deferred tax liabilities	$ (38,711)	$ (12,405)
Net deferred tax assets	$ 2,395	$ 1,109

Net Operating Loss Carryforwards

State net operating loss carryforwards totaling $6,416 at December 31, 2020 are being carried forward where we are permitted to use net operating losses from prior periods to reduce future taxable income and begin to expire in 2029. As of December 31, 2020, all Federal net operating losses have been fully utilized. The statute of limitations with respect to our federal and state tax returns remain open for tax years 2018 and forward.

No valuation allowance has been provided on our net deferred tax assets, as we believe the remaining net deferred tax assets are more likely than not to be realizable in the applicable jurisdictions based on estimates of future taxable income. The Company has not recognized any uncertain tax positions.

On March 27, 2020, the Coronavirus Aid, Relief, and Economic Security Act ("CARES Act") was enacted in response to the COVID-19 pandemic. Among other provisions, the CARES Act allows net operating loss carryforwards incurred in 2018, 2019, and 2020 to be carried back to each of the five preceding taxable years to generate a refund of previously paid income taxes. The Company is currently evaluating the impact of the CARES Act, but at present does not expect it to have a material impact on its provision due to the limitations of IRC Section 280E.

Unrecognized Tax Benefits

As of December 31, 2020 and 2019, the Company had no unrecognized tax benefits. The Company does not anticipate the total amount of unrecognized tax benefits to significantly change within the next twelve months. The Company recognized no interest expense or penalties on income tax assessments during 2020 or 2019, and there was no interest related to income tax assessments accrued as of December 31, 2020 or 2019.

15. COMMITMENTS AND CONTINGENCIES

Commitments

The Company does not have significant future annual commitments, other than related to leases and debt, which are disclosed in Notes 10 and 11, respectively.

Indemnifications

We are party to a variety of agreements under which we may be obligated to indemnify the other party for certain matters. These agreements are primarily standard indemnification arrangements entered into in our ordinary course of business. Pursuant to these arrangements, we may agree to indemnify, hold harmless, and reimburse the indemnified parties for losses suffered or incurred by the indemnified party. In addition, the Company has entered into indemnification agreements with members of its board of directors and senior management team that will require the Company, among other things, to indemnify them against certain liabilities that may arise by reason of their status or service as directors or officers. The maximum potential amount of future payments the Company could be required to make under these indemnification agreements is, in many cases, unlimited. To date, the Company has not incurred any material costs as a result of such indemnifications, and such costs would only be recognized as incurred.

Legal and Other Matters

The Company's operations are subject to a variety of local and state regulations. Failure to comply with one or more of those regulations could result in fines, restrictions on its operations, or losses of permits that could result in the Company ceasing operations. While management believes that the Company is in compliance with applicable local and state regulations as of December 31, 2020, cannabis regulations continue to evolve and are subject to differing interpretations, and accordingly, the Company may be subject to regulatory fines, penalties or restrictions in the future.

State laws that permit and regulate the production, distribution, and use of cannabis for adult use or medical purposes are in direct conflict with the Controlled Substances Act (21 U.S.C. § 811) (the "CSA"), which makes cannabis use and possession federally illegal. Although certain states and territories of the U.S. authorize medical and/or adult use cannabis production and distribution by licensed or registered entities, under U.S. federal law, the possession, use, cultivation, and transfer of cannabis and any related drug paraphernalia is illegal and any such acts are criminal acts under federal law under the CSA. Although the Company's activities are believed to be compliant with applicable state and local laws, strict compliance with state and local laws with respect to cannabis may neither absolve the Company of liability under U.S. federal law, nor may it provide a defense to any federal proceeding which may be brought against the Company.

The Company may be, from time to time, subject to various administrative, regulatory, and other legal proceedings arising in the ordinary course of business. Contingent liabilities associated with legal proceedings are recorded when a liability is probable and the contingent liability can be estimated. We do not accrue for contingent losses that, in our judgment, are considered to be reasonably possible but not probable. At December 31, 2020 and 2019, there were no pending or threatened lawsuits that could reasonably be expected to have a material effect on our consolidated results of operations, other than the matter discussed below.

In December 2020, the counterparties of the purchase agreement for the Company's potential acquisition of certain locations in Michigan, for consideration consisting of 9,539 common units and $16,532 of cash, filed a claim alleging breach of contract. The counterparties have asked the court to grant specific performance of the contracts between the Company and the counterparties. The Company intends to vigorously defend this action and assert all potential defenses and claims against the counterparties.

In December 2020, the Company submitted a state application to acquire BCCO, LLC, a medical dispensary license holder in Ohio for total cash consideration of approximately $3,500, subject to certain adjustments at closing. As discussed in Note 6, "Notes Receivable," the Company may settle the outstanding balances due under a note receivable and a working capital loan as part of the purchase price at closing. The Company has entered into a unit purchase option agreement with BCCO, LLC and expects to enter into a definitive purchase agreement following the state approval of the license transfer.

In December 2020, the Company submitted a state application to acquire Hemma LLC, the owner of a medical cultivation site in Ohio, for cash consideration of approximately $9,570, subject to certain adjustments at closing. As discussed in Note 6, "Notes Receivable," the Company may settle the outstanding balances due under a note receivable and a working capital loan as part of the purchase price at closing. The Company has entered into an amended merger agreement with Hemma Operations, LLC and expects to enter into a definitive purchase agreement following the state approval of the license transfer.

16. RELATED PARTY TRANSACTIONS

AWH has a management services agreement ("MSA") with AGP Partners, LLC ("AGP") under which AGP provides management services to AWH in connection with the monitoring and oversight of AWH's financial and business functions. The founder of AGP is the Chief Executive Officer and one of the founders of AWH. Pursuant to the MSA, AWH pays AGP a quarterly fee of $100. As of December 31, 2020 and 2019, $100 and $200, respectively, of these fees are included in "Accounts payable and other accrued expenses" on the Consolidated Balance Sheets. We recognized expenses of $400 during each of 2020 and 2019, respectively, that are included in "General and administrative" on the Consolidated Statements of Operations. AGP is entitled to receive $2,000 upon the termination of the MSA in the event of an initial public offering or a change of control. This payout is contingent upon the beneficial owners of AGP who serve as officers of the Company entering into lock-up agreements that extend for 180 days following such event. Pursuant to the MSA, each such lock-up agreement shall contain a provision whereby AWH's Board of Managers may waive, in whole or in part, such extended lock-up thereto if AWH's Board of Managers determines, in its sole discretion and in accordance with AWH's governing documents and applicable law, that such waiver will not have an adverse effect on AWH and its equity holders, business, financial condition, and prospects.

As discussed in Note 11, “Debt,” certain of the AWH Convertible Notes are with related party entities that are managed by one of the founders of the Company.

As discussed in Note 8, “Variable Interest Entities,” in December 2020 one of the founders of AWH assigned his interest in Ascend Michigan to AWH, after which AWH is the majority member, retaining 99.9% of the membership interests in Ascend Michigan.

17. SUPPLEMENTAL INFORMATION

The following table presents supplemental information regarding our other current assets:

	As of December 31,	
(in thousands)	**2020**	**2019**
Tenant improvement allowance	$ 24,349	$ 15,816
Deposits and other receivables	4,021	361
Prepaid expenses	2,294	1,628
Construction deposits	712	1,515
Other	1,591	443
Total	$ 32,967	$ 19,763

The following table presents supplemental information regarding our accounts payable and accrued liabilities:

	As of December 31,	
(in thousands)	**2020**	**2019**
Accounts payable	$ 17,763	$ 9,149
Accrued interest	7,723	2,840
Accrued payroll and related expenses	2,762	602
Other	2,976	—
Total	$ 31,224	$ 12,591

The following table presents supplemental information regarding our general and administrative expenses:

	Year Ended December 31,	
(in thousands)	**2020**	**2019**
Compensation	$ 15,986	$ 8,831
Rent and utilities	14,631	6,758
Professional services	9,325	6,692
Depreciation and amortization	7,914	3,578
Marketing	1,758	1,213
Insurance	1,467	758
Loss on sale of asset	286	—
Other	1,700	1,579
Total	$ 53,067	$ 29,409

18. SUBSEQUENT EVENTS

Management has evaluated subsequent events to determine if events or transactions occurring through February 25, 2021, the date on which the financial statements were available to be issued, require adjustment to or disclosure in the Company's consolidated financial statements. There were no events that require adjustment to or disclosure in the consolidated financial statements, except as disclosed.

Investments

On February 25, 2021, we entered into a definitive investment agreement (the "Investment Agreement") with MedMen Enterprises Inc. ("MedMen"), under which we will, subject to regulatory approval, complete an investment (the "Investment") of approximately $73,000 in MedMen NY, Inc. ("MMNY"), a licensed medical cannabis operator in New York. In connection with the investment, and subject to regulatory approval, MMNY will engage our services pursuant to a management agreement (the "Management Agreement") under which we will advise on MMNY's operations pending regulatory approval of the Investment transaction.

Under the terms of the Investment, at closing, MMNY will assume approximately $73,000 of MedMen's existing secured debt, AWH will invest $35,000 in cash in MMNY, and AWH New York, LLC will issue a senior secured promissory note in favor of MMNY's senior secured lender in the principal amount of $28,000, guaranteed by AWH, which cash investment and note will be used to reduce the amounts owed to MMNY's senior secured lender. Following its investment, AWH will hold a controlling interest in MMNY equal to approximately 86.7% of the equity in MMNY, and be provided with an option to acquire MedMen's remaining interest in MMNY in the future. AWH must also make an additional investment of $10,000 in exchange for additional equity in MMNY, which investment will also be used to repay MMNY's senior secured lender if adult-use cannabis sales commence in MMNY's dispensaries. The transactions contemplated by the Investment Agreement are subject to customary closing conditions, including approval from the New York State Department of Health and other applicable regulatory bodies.

Leases

Through the date on which the financial statements were available to be issued, new operating leases with ROU assets and related lease liabilities of approximately $7,400 have commenced.

Notes Payable

In January 2021, the Company entered into a convertible note purchase agreement (the "2021 AWH Convertible Promissory Notes"). The Company issued $49,500 of 2021 AWH Convertible Promissory Notes through the date these Financial Statements were available to be issued. Each note matures two years from its issue date and can either be paid in full at maturity or converted into common units. Each note bears interest at 8% for the first twelve months, 10% for months thirteen through fifteen, and 13% thereafter through maturity. Interest is paid-in-kind and added to the outstanding balance of the note, to be paid at maturity or upon conversion.

These notes are convertible into common units of the Company on occurrence of certain events, such as a change of control or an IPO (which events had not occurred as of the date of these Financial Statements). Upon the occurrence of an IPO, each note, including interest thereon less applicable withholding taxes, will automatically convert into equity securities issued in connection with the IPO, with the number of securities issued on the basis of a price equal to the lesser of: (a)(i) a 20% discount to the issue price if an IPO occurs on or before 12 months from each note issuance; (ii) a 25% discount to the issue price if an IPO occurs after 12 months of each note issuance, but before maturity; and (b) the conversion price then in effect based on a defined pre-money valuation of the Company. If not previously converted, at maturity the holder may elect the outstanding principal amount and accrued and unpaid interest to be paid in full in cash or convert into common units at a price of $3.00 per unit, subject to adjustments for splits, dividends, or other similar recapitalization events.

ASCEND WELLNESS HOLDINGS, LLC

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PROSPECTUS

Canaccord Genuity

, 2021

PART II

INFORMATION NOT REQUIRED IN PROSPECTUS

Item 13. Other Expenses of Issuance and Distribution

The following table sets forth the costs and expenses payable by us in connection with the registration of the securities being registered hereby. All such expenses are estimated except for the SEC registration fee.

SEC registration fee		
Legal fees and expenses*	$	650,000
Accounting fees and expenses*	$	30,000
Printing expenses*	$	200,000
Total*		

* Estimated

Item 14. Indemnification of Directors and Officers

Section 102 of the General Corporation Law of the State of Delaware permits a corporation to eliminate the personal liability of directors of a corporation to the corporation or its stockholders for monetary damages for a breach of fiduciary duty as a director, except where the director breached his or her duty of loyalty, failed to act in good faith, engaged in intentional misconduct or knowingly violated a law, authorized the payment of a dividend or approved a stock repurchase in violation of Delaware corporate law or obtained an improper personal benefit. We expect to adopt a certificate of incorporation, which will become effective upon the consummation of this offering, and which will provide that none of our directors shall be personally liable to us or to our stockholders for monetary damages for any breach of fiduciary duty as a director, notwithstanding any provision of law imposing such liability, except to the extent that the General Corporation Law of the State of Delaware prohibits the elimination or limitation of liability of directors for breaches of fiduciary duty.

Section 145 of the General Corporation Law of the State of Delaware provides that a corporation has the power to indemnify a director, officer, employee or agent of the corporation, or a person serving at the request of the corporation for another corporation, partnership, joint venture, trust or other enterprise in related capacities, against expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by the person in connection with an action, suit or proceeding to which he or she was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding by reason of such position, if such person acted in good faith and in a manner he or she reasonably believed to be in or not opposed to the best interests of the corporation, and, in any criminal action or proceeding, had no reasonable cause to believe his or her conduct was unlawful, except that, in the case of actions brought by or in the right of the corporation, no indemnification shall be made with respect to any claim, issue or matter as to which such person shall have been adjudged to be liable to the corporation unless and only to the extent that the Court of Chancery or other adjudicating court determines that, despite the adjudication of liability but in view of all of the circumstances of the case, such person is fairly and reasonably entitled to indemnity for such expenses which the Court of Chancery or such other court shall deem proper.

Upon consummation of this offering, our certificate of incorporation and bylaws will provide indemnification for our directors and officers to the fullest extent permitted by the General Corporation Law of the State of Delaware, subject to certain limited exceptions. We will indemnify each person who was or is a party or threatened to be made a party to any threatened, pending or completed action, suit or proceeding (other than an action by or in the right of us) by reason of the fact that he or she is or was, or has agreed to become, a director or officer, or is or was serving, or has agreed to serve, at our request as a director, officer, partner, employee or trustee of, or in a similar capacity with, another corporation, partnership, joint venture, trust or other enterprise (all such persons being referred to as an "**Indemnitee**"), or by reason of any action alleged to have been taken or omitted in such capacity,

against all expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred in connection with such action, suit or proceeding and any appeal therefrom, if such Indemnitee acted in good faith and in a manner he or she reasonably believed to be in, or not opposed to, our best interests, and, with respect to any criminal action or proceeding, he or she had no reasonable cause to believe his or her conduct was unlawful. Our certificate of incorporation and bylaws will provide that we will indemnify any Indemnitee who was or is a party to an action or suit by or in the right of us to procure a judgment in our favor by reason of the fact that the Indemnitee is or was, or has agreed to become, a director or officer, or is or was serving, or has agreed to serve, at our request as a director, officer, partner, employee or trustee of, or in a similar capacity with, another corporation, partnership, joint venture, trust or other enterprise, or by reason of any action alleged to have been taken or omitted in such capacity, against all expenses (including attorneys' fees) and, to the extent permitted by law, amounts paid in settlement actually and reasonably incurred in connection with such action, suit or proceeding, and any appeal therefrom, if the Indemnitee acted in good faith and in a manner he or she reasonably believed to be in, or not opposed to, our best interests, except that no indemnification shall be made with respect to any claim, issue or matter as to which such person shall have been adjudged to be liable to us, unless a court determines that, despite such adjudication but in view of all of the circumstances, he or she is entitled to indemnification of such expenses. Notwithstanding the foregoing, to the extent that any Indemnitee has been successful, on the merits or otherwise, he or she will be indemnified by us against all expenses (including attorneys' fees) actually and reasonably incurred in connection therewith. Expenses must be advanced to an Indemnitee under certain circumstances.

Prior to the closing of this offering, we will enter into indemnification agreements with each of our executive officers and directors. The indemnification agreements will provide the executive officers and directors with contractual rights to indemnification, and expense advancement and reimbursement, to the fullest extent permitted under the laws of the State of Delaware in effect from time to time, subject to certain exceptions contained in those agreements.

We maintain a general liability insurance policy that covers certain liabilities of directors and officers of our corporation arising out of claims based on acts or omissions in their capacities as directors or officers.

In any underwriting agreement we enter into in connection with the sale of common stock being registered hereby, the underwriters will agree to indemnify, under certain conditions, us, our directors, our officers and persons who control us within the meaning of the Securities Act against certain liabilities.

Item 15. Recent Sales of Unregistered Securities.

The following information represents securities sold by the Company within the past three years through , 2020 which were not registered under the Securities Act. Included are new issues, securities issued in exchange for property, services or other securities, securities issued upon conversion from other share classes and new securities resulting from the modification of outstanding securities. We sold all of the securities listed below pursuant to the exemption from registration provided by Section 4(a)(2) of the Securities Act, or Regulation D or Regulation S promulgated thereunder.

Preferred Units

In August 2018, the Company initiated a private placement of Series Seed Preferred Units. The Company issued 28,504,750 units for gross proceeds of $14.7 million.

In October 2018, following the initiation of the Series Seed Preferred Units placement, the Company’s then-outstanding convertible notes (the “2018 Convertible Notes”) automatically converted into Real Estate Preferred Units pursuant to the conversion provisions of the note agreement. The 2018 Convertible Notes were issued between June 2018 and August 2018 and had an aggregate principal amount of $17.8 million. Prior to conversion, the notes had an interest rate of 8% per annum and a maturity date of July 1, 2021. Upon conversion, the then-outstanding principal and accrued interest on each note automatically converted into 45,601,890 Real Estate Preferred Units with an aggregate value of $18.2 million.

During 2019, the Company issued 41,964,430 of Series Seed+ Preferred Units for gross proceeds of $37.8 million.

Common Units

In connection with the formation of AWH in May 2018, AGP was issued 62,500,000 common units.

In August 2019, the Company issued 445,625 common units for total proceeds of $0.7 million.

In February 2020, the Company acquired Southcoast Apothecary, LLC, an entity which held the license application for a third adult-use dispensary located in New Bedford, MA, for 3,437,500 common units. This dispensary was provisionally licensed in August 2020.

In July 2020, the Company issued 7,270,833 common units in connection with the buyout of the minority owners of Ascend Illinois LLC. These minority owners acquired their ownership of Ascend Illinois LLC with AWH's acquisition of HealthCentral LLC and its related entities in April 2019.

On September 29, 2020, the Company issued 8,437,500 common units in connection with the closing of the acquisition of the assets and liabilities of Greenleaf Compassion Center by Ascend New Jersey, LLC.

In November 2020, the Company cancelled 8,322,420 incentive units previously issued between January 2019 and October 2020 to managers, officers and employees in connection with our election to be taxed as a C-Corporation and issued 19,887,158 restricted common units to managers, officers and employees pursuant to the 2020 Incentive Plan.

On December 23, 2020, the Company issued 8,125,000 common units in connection with the closing of the acquisition of the equity interests of MOCA, LLC by Ascend Illinois Holdings, LLC.

Convertible Notes

Beginning in June 2019 through August 2020, the Company issued convertible notes (the "**2019 Convertible Notes**") with an aggregate principal amount of $75.5 million. The 2019 Convertible Notes are unsecured and have a two-year term with staggered maturity dates according to the date of subscription. These notes accrue "pay-in-kind" interest at a rate of 8.0% per annum for the first twelve months, 10% for months thirteen through fifteen, and 13% per annum following the fifteen month anniversary of the subscription and thereafter. The 2019 Convertible Notes will convert into shares of Class A common stock of the Ascend Wellness Holdings, Inc. upon completion of the offering.

In January 2021, the Company issued convertible notes (the "**2021 Convertible Notes**") with an aggregate principal amount of $49.5 million. The 2021 Convertible Notes are unsecured and have a two-year term with staggered maturity dates according to the date of subscription. These notes accrue "pay-in-kind" interest at a rate of 8.0% per annum for the first twelve months, 10% for months thirteen through fifteen, and 13% per annum following the fifteen month anniversary of the subscription and thereafter. The 2021 Convertible Notes will convert into shares of Class A common stock of the Ascend Wellness Holdings, Inc. upon completion of the offering.

Warrants

On July 1, 2019, the Company issued warrants (the "**2019 Warrants**") to purchase up to an aggregate of 2,187,500 common units with an exercise price of $1.60 per common unit. The 2019 Warrants expire upon the earlier of (i) July 1, 2021 and (ii) the closing of a public offering. We expect holders of the 2019 Warrants to exercise their the 2019 Warrants and acquire common units of the Company. The terms of the 2019 Warrants permit the holders to exercise the warrants via cashless exercise. If the holders choose to exercise via cashless exercise issuance, the holders will acquire 1,312,500 common units of the Company. However, there is no assurance that the holders will exercise the warrants.

Beginning in May 2019 through October 2020, the Company issued warrants (the "**Warrants**") to purchase up to an aggregate of 7,062,285 common units with an exercise price of $2.00 per common unit. Each Warrant expires on the third anniversary of its respective issuance. In connection with offering, each holder of the Warrants will receive warrants to acquire an equal number of shares of Class A common stock.

Item 16. Exhibits and Financial Statement Schedules

(a) Exhibits

See the Exhibit Index attached to this registration statement, which is incorporated by reference herein.

(b) Financial Statement Schedules

Schedules have been omitted because the information required to be set forth therein is not applicable or is shown in the financial statements or notes thereto.

Item 17. Undertakings

The undersigned registrant hereby undertakes to provide to the underwriters at the closing specified in the underwriting agreement, certificates in such denominations and registered in such names as required by the underwriters to permit prompt delivery to each purchaser.

Insofar as indemnification for liabilities arising under the Securities Act may be permitted to directors, officers and controlling persons of the registrant pursuant to the foregoing provisions, or otherwise, the registrant has been advised that in the opinion of the SEC such indemnification is against public policy as expressed in the Securities Act and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by the registrant of expenses incurred or paid by a director, officer or controlling person of the registrant in the successful defense of any action, suit or proceeding) is asserted by such director, officer or controlling person in connection with the securities being registered, the registrant will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in the Securities Act and will be governed by the final adjudication of such issue.

The undersigned registrant hereby undertakes that:

(1) For purposes of determining any liability under the Securities Act, the information omitted from the form of prospectus filed as part of this registration statement in reliance upon Rule 430A and contained in a form of prospectus filed by the registrant pursuant to Rule 424(b) (1) or (4) or 497(h) under the Securities Act shall be deemed to be part of this registration statement as of the time it was declared effective.
(2) For the purpose of determining any liability under the Securities Act, each post-effective amendment that contains a form of prospectus shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

EXHIBIT INDEX

Exhibit No.	Description of Exhibit
1.1*	Form of Underwriting Agreement
2.1±#	Plan of Merger among Ascend Wellness Holdings, LLC, Ascend Illinois, LLC, HealthCentral, LLC, HealthCentral Illinois Holdings, LLC and Springfield Partners II, LLC, dated November 6, 2018
3.1	Certificate of Formation of Ascend Wellness Holdings, LLC
3.2	Certificate of Amendment of Ascend Wellness Holdings, LLC
3.3+#	Fifth Amended and Restated Limited Liability Company Agreement of Ascend Wellness Holdings, LLC
3.4*	Form of Certificate of Incorporation, to be effective upon completion of this offering
3.5*	Form of Bylaws, to be effective upon completion of this offering
4.1*	Specimen Stock Certificate evidencing the shares of common stock
4.2*	Form of Registration Rights Agreement
5.1*	Opinion of Dorsey & Whitney LLP regarding legality of shares issued
10.1	Ascend Wellness Holdings, LLC Equity Incentive Plan
10.2	Ascend Wellness Holdings, LLC 2020 Equity Incentive Plan
10.3*	Management Agreement with AGP Partners, LLC
10.4*	Form of Indemnification Agreement
10.5++	Purchase and Sale Agreement and Joint Escrow Instructions between Ascend Athol RE LLC and IIP Operating Partnership, dated January 13, 2020
10.6	First Amendment to Purchase and Sale Agreement and Joint Escrow Instructions between Ascend Athol RE LLC and IIP Operating Partnership, dated February 7, 2020
10.7	Second Amendment to Purchase and Sale Agreement and Joint Escrow Instructions between Ascend Athol RE LLC and IIP Operating Partnership, dated February 28, 2020
10.8	Third Amendment to Purchase and Sale Agreement and Joint Escrow Instructions between Ascend Athol RE LLC and IIP Operating Partnership, dated March 6, 2020
10.9	Fourth Amendment to Purchase and Sale Agreement and Joint Escrow Instructions between Ascend Athol RE LLC and IIP Operating Partnership, dated March 13, 2020
10.10#	Fifth Amendment to Purchase and Sale Agreement and Joint Escrow Instructions between Ascend Athol RE LLC and IIP-MA 4 LLC, dated March 20, 2020
10.11++	Lease between IIP-IL 1, LLC and Ascend Illinois, LLC, dated December 21, 2018
10.12++	First Amendment to Lease Agreement between IIP-IL 1 LLC and Revolution Cannabis - Barry, LLC, dated September 5, 2019
10.13++	Second Amendment to Lease Agreement between IIP-IL 1 LLC and Revolution Cannabis - Barry, LLC, dated August 18, 2020
10.14++	Lease between IIP-MI 3, LLC and FPAW Michigan, LLC, dated July 2, 2019
10.15++	Lease between IIP-MA 4 LLC and MassGrow, LLC, dated April 2, 2020
10.16++	Commercial Lease between LCR 1014 Eastport Plaza, LLC and HealthCentral Illinois Holdings, LLC, dated July 5, 2019
10.17++	Commercial Lease between LCR 628 East Adams, LLC and HealthCentral, LLC, dated July 3, 2019
10.18++	Indenture of Lease between 1089 Washington Street Limited Partnership and Ascend Mass, LLC, dated May 13, 2020
10.19++	Lease Agreement between 174 Rochelle LLC and Greenleaf Compassion Center, dated December 19, 2020
10.20++	Industrious Membership Agreement between Industrious NYC 1411 Broadway LLC and Ascend Wellness Holdings, LLC, dated February 9, 2020
10.21++	Industrious Membership Agreement Amendment between Industrious NYC 1411 Broadway LLC and Ascend Wellness Holdings, LLC, dated July 23, 2020
10.22++#	Investment Agreement among MedMen NY, Inc., MM Enterprises USA, LLC, AWH New York, LLC and Ascend Wellness Holdings, LLC, dated February 25, 2021

10.23++#	Credit and Guaranty Agreement between Ascend Wellness Holdings, LLC, Ascend Illinois Holdings, LLC, Ascend Illinois, LLC, each other entity signatory thereto as a Borrower or Guarantor, various lenders and Seventh Avenue Investments, LLC, dated October 15, 2020
10.24++	Waiver and First Amendment to Credit and Guaranty Agreement and Pledge and Security Agreement, between Seventh Avenue Investments, LLC, the Lenders party thereto and the Loan Parties party thereto, dated December 31, 2020
10.25++#	Financing Agreement between Ascend New Jersey, LLC, AWH NJ Holdco, LLC, each entity signatory thereto as a Guarantor, various lenders and the Collateral Agent, dated October 29, 2020
10.26	Convertible Note Purchase Agreement, dated June 12, 2019
10.27	Convertible Note Purchase Agreement, dated January 2021
10.28++	Employment Agreement between Ascend Wellness Holdings, LLC and Abner Kurtin, dated as of March 22, 2021
10.29++	Employment Agreement between Ascend Wellness Holdings, LLC and Francis Perullo, dated as of March 23, 2021
10.30++	Employment Agreement between Ascend Wellness Holdings, LLC and Daniel Neville, dated as of March 23, 2021
21.1*	List of Subsidiaries of Ascend Wellness Holdings, LLC
23.1	Consent of Marcum LLP
23.2*	Consent of Dorsey & Whitney LLP (included in Exhibit 5.1)
23.3	Consent of Hill, Barth & King LLC
23.4	Consent of MNP LLP
24.1	Power of Attorney (included on signature page)
99.1	Audited Financial Statements of MOCA, LLC for the years ended December 31, 2020 and December 31, 2019
99.2	Management's Discussion and Analysis of Financial Condition and Results of Operations of MOCA, LLC for the years ended December 31, 2020 and December 31, 2019
99.3	Audited Combined Financial Statements of Chicago Alternative Health Center Holdings, LLC and Affiliate for the years ended December 31, 2020 and December 31, 2019
99.4	Management's Discussion and Analysis of Financial Condition and Results of Operations Chicago Alternative Health Center Holdings, LLC and Affiliate for the years ended December 31, 2020 and December 31, 2019
99.5	Audited Financial Statements of MedMen NY, Inc. for the years ended December 31, 2020 and December 31, 2019
99.6	Management's Discussion and Analysis of Financial Condition and Results of Operations of MedMen NY, Inc. for the years ended December 31, 2020 and December 31, 2019
99.7	Unaudited Pro Forma Consolidated Statement of Operations of Ascend Wellness Holdings, LLC giving effect to the acquisition of MOCA, LLC, the acquisition of Chicago Alternative Health Center Holdings, LLC and Affiliate and the investment in MedMen NY, Inc.

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* To be filed by amendment.

± Portions of this exhibit have been redacted in compliance with Regulation S-K Item 601(b)(2). The omitted information is not material and would likely cause competitive harm to the Company if publicly disclosed. The Company agrees to furnish an unredacted copy to the SEC upon its request.

++ Portions of this exhibit have been redacted in compliance with Regulation S-K Item 601(b)(10). The omitted information is not material and would likely cause competitive harm to the Company if publicly disclosed. The Company agrees to furnish an unredacted copy to the SEC upon its request.

Certain schedules and exhibits have been omitted in compliance with Regulation S-K Item 601(a)(5). The Company agrees to furnish a copy of any omitted schedule or exhibit to the SEC upon its request.

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, as amended, the registrant certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-1 and has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of New York, State of New York on **March 26, 2021**.

ASCEND WELLNESS HOLDINGS, LLC

By */s/ Abner Kurtin*
Abner Kurtin
Chief Executive Officer and Manager

POWER OF ATTORNEY

Each person whose signature appears below constitutes and appoints each of Abner Kurtin and Daniel Neville, acting alone or together with another attorney-in-fact, as his or her true and lawful attorney-in-fact and agent, with full power of substitution and resubstitution, for such person and in his or her name, place and stead, in any and all capacities, to sign any or all further amendments (including post-effective amendments) to this registration statement (and any additional registration statement related hereto permitted by Rule 462(b) promulgated under the Securities Act of 1933 (and all further amendments, including post-effective amendments, thereto)), and to file the same, with all exhibits thereto, and other documents in connection therewith, with the Securities and Exchange Commission, granting unto said attorneys-in-fact and agents, and each of them, full power and authority to do and perform each and every act and thing requisite and necessary to be done in connection therewith, as fully to all intents and purposes as he might or could do in person, hereby ratifying and confirming all that said attorney-in-fact and agent, or his or her substitute or substitutes, may lawfully do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Act of 1933, this registration statement on Form S-1 has been signed by the following persons in the capacities and on the dates indicated:

Name and Signature	Title	Date
/s/ Abner Kurtin Abner Kurtin	Chief Executive Officer and Manager *(Principal Executive Officer)*	**March 26, 2021**
/s/ Daniel Neville Daniel Neville	Chief Financial Officer *(Principal Financial Officer)*	**March 26, 2021**
/s/ Roman Nemchenko Roman Nemchenko	Senior Vice President, Chief Accounting Officer *(Principal Accounting Officer)*	**March 26, 2021**
/s/ Francis Perullo Francis Perullo	Manager	**March 26, 2021**
/s/ Scott Swid Scott Swid	Manager	**March 26, 2021**
/s/ Emily Paxhia Emily Paxhia	Manager	**March 26, 2021**
Chris Leavy	Manager	**March 26, 2021**

CONFIDENTIAL TREATMENT REQUESTED - REDACTED COPY

PLAN OF MERGER

THIS PLAN OF MERGER (the "**Agreement**"), executed and effective as of November 6, 2018 (the "**Effective Date**"), by and among Ascend Wellness Holdings, LLC, a Delaware limited liability company ("**AWH**" and "**Purchaser**"), Ascend Illinois, LLC, an Illinois limited liability company ("**AI**"), HealthCentral, LLC, d/b/a HCI Alternatives, an Illinois limited liability company ("**HC**" and/or **"Seller"**), HealthCentral Illinois Holdings, LLC, an Illinois limited liability company ("**HCI Holdings**"), and Springfield Partners II, LLC, an Illinois limited liability company ("Springfield Partners II"). Springfield Partners II and HCI Holdings are collectively referred to herein as "**Holding Companies**". AWH, HC, and Holding Companies are hereinafter collectively referred to as the "**Parties**."

RECITALS

WHEREAS, HC owns and operates two (2) marijuana dispensaries pursuant to licenses issued by the Illinois Department of Financial and Professional Regulation, Division of Professional Regulation (the "IDFPR"), as well as all applicable and accompanying licenses and Zoning Certifications issued for the aforementioned by the City of Collinsville, City of Springfield, Madison County, and Sangamon County (collectively the "HC Licenses"). The HC Licenses, all of which are current and in good standing, are listed below:

License Number	**Location**	**Licensing Authority**	**Type**
DISP000022	1014 Eastport Plaza Dr. Collinsville, IL 62234 (the "**Collinsville Property**")	IDFPR	Medical Marijuana Dispensary
DISP00029	628 E. Adams St. Springfield, IL 62701 (the "**Springfield Property**")	IDFPR	Medical Marijuana Dispensary

WHEREAS, Christopher Stone ("Stone") is the Manager of HC.

WHEREAS, as of the date of this Agreement and prior to giving effect to the merger contemplated hereby, ownership of the Membership Interests in HC is reflected in Schedule A [Omitted pursuant to Item 601(a)(5) of Regulation S-K] attached hereto.

WHEREAS, Springfield Partners II owns the real property commonly known as 620 East Adams Street, Springfield, Illinois ("620 East Adams Property").

WHEREAS, HCI Holdings owns the Springfield Property and the Collinsville Property, which it has leased to HC via an oral lease.

WHEREAS, the Parties desire to complete the following transactions contemplated in this Agreement: (a) the transfer of all of the Membership Interests in HC into AWH; (b) the subsequent transfer, consolidation, or merger of all of the Membership Interests in HC to AI (the "**Surviving Entity**") (the events contemplated in (a) and (b) being collectively referred to as the

"**Transfers**" and each a "**Transfer**"); and (c) the completion of subsequent real estate transactions involving the Springfield Property, the Collinsville Property, and the 620 East Adams Property, the nature of which is to be determined, before Closing, by the Parties ("Real Estate Transactions").

WHEREAS, the Transfers are subject to the approval of third parties, including the IDFPR, and other parties, to be determined, that will be involved in the completion of the Real Estate Transactions.

WHEREAS, after giving effect to the Assignments (as defined in Section 2.1), and other terms set forth in this Agreement, one-hundred percent (100%) of the Membership Interests in HC (the "**HC Interests**") will be owned by AWH.

WHEREAS, AWH shall, no later than 60 days after the Closing and only after obtaining prior approval from the Illinois Department of Agriculture and any other regulatory agency, transfer, consolidate, or merge the HC Interests to AI.

WHEREAS, following the consummation of the Transfers, HC's members shall collectively receive twenty percent (20.0%) Membership Interest in AI, the terms of which shall be reflected in the operating agreement of AI.

AGREEMENT

NOW, THEREFORE, FOR GOOD AND VALUABLE CONSIDERATION, the receipt and sufficiency of which is hereby acknowledged, the Parties agree as follows:

1. MERGER OF MEMBERSHIP INTEREST. Subject to the terms and conditions contained in this Agreement, at the Closing, HC shall assign, transfer and convey to Purchaser all right, title and legal and equitable interest in 100% of the Membership Interests in HC by way of merger.

2. THE CLOSING. The transfer of the HC Membership Interests as contemplated by this Agreement shall close on December 15, 2018 or such other time as the parties may otherwise agree in writing; *provided*, *however,* in no event shall the Closing Date be later than January 15, 2019. The parties shall use commercially reasonable efforts to cause the Closing Date to be December 15, 2018.

2.1 Closing Deliveries of HC. The obligations of Purchaser and HC to consummate the transactions contemplated by this Agreement shall be subject to the delivery, prior to or at Closing, of each of the following by HC (the delivery of any or all of which may be waived by Purchaser in its sole discretion):

a. Agreement for the Assignment and Transfer of Membership Interests, dated as of the Closing Date, executed by HC, assigning the Membership Interests in HC to Purchaser (the "**Assignments**");

b. Resolutions duly executed by HC authorizing the Assignments and other transactions contemplated herein, or consents executed by members of HC holding at least seventy percent (70%) of the Membership Interests of HC;

c. Amended Articles of Organization of HC to remove Stone as Manager and add AWH as Manager; and

d. Documentation needed to facilitate the completion of the Real Estate Transactions.

2.2 Closing Deliveries of Purchaser. The obligation of Purchaser and HC to consummate the transactions contemplated by this Agreement shall be subject to the delivery, prior to or at Closing, of each of the following by Purchaser (the delivery of any or all of which may be waived by HC in its sole discretion):

a. The first payment of the Purchase Price as described in Section 6 of this Agreement; and

b. Documentation evidencing closing on the Barry Cultivation.

2.3 Closing Deliveries of AI. The obligation of Purchaser and HC to consummate the transactions contemplated by this Agreement shall be subject to the delivery, prior to or at Closing, of each of the following by AI (the delivery of any or all of which may be waived by HC in its sole discretion):

a. Assignment of Membership Interests for 20.0% of AI;

b. An Operating Agreement of AI that is to be mutually agreed upon by the parties and executed by the managers of the parties pursuant to the terms of this Agreement;

c. The Executive Employment Agreement of Chris Stone that is to be mutually agreed upon by all parties to the Executive Employment Agreement;

d. Documentation needed to facilitate the completion of the Real Estate Transactions; and

e. If necessary, documentation evidencing approval from the Department of Agriculture authorizing merger of the HC Membership Interests into AI.

3. REPRESENTATIONS AND WARRANTIES.

3.1. Representations and Warranties of HC. HC represents and warrants to AWH as of the Closing Date as follows:

a. **Authority**. HC is a limited liability company, duly organized, validly existing and in good standing under the laws of the State of Illinois and has all requisite

entity power and authority, by and through Stone as its Manager, to execute and deliver this Agreement and each ancillary agreement to which it is or will be a party (each, an "Ancillary Agreement"), to perform its obligations hereunder and thereunder and to consummate the transactions contemplated hereby and thereby.

b. **Validity and Enforceability**. This Agreement is, and each of the other Ancillary Agreements to which HC is a party that shall be executed and delivered by HC, constitutes a valid and binding obligation of HC enforceable in accordance with its terms, except as such enforceability may be limited by applicable bankruptcy, insolvency, reorganization, moratorium and other similar law affecting the rights of creditors' generally and to general principles of equity, whether considered in a proceeding at law or in equity.

c. **No Conflict**. The execution, delivery and performance by HC of this Agreement and the documents to be delivered hereunder and the consummation of the transactions contemplated hereby, do not and will not:

(i) violate, conflict with or constitute a default under the Articles of Organization, operating agreement, or other organizational documents of HC;

(ii) violate or conflict with any judgment, order, decree, statute, law, ordinance, rule or regulation applicable to HC;

(iii) Other than as may be contained in any loan documents with the Bank of Springfield, conflict with, or result in (with or without notice or lapse of time or both) any violation of, or default under, or give rise to a right of termination, acceleration or modification of any obligation or loss of any benefit under any contract or other instrument to which HC is a party; or

(iv) result in the creation or imposition of any encumbrance on HC.

d. **Consents**. Other than the Cannabis Consents (defined in Section 8.3), no consents, licenses, actions, notifications, waivers, approvals, orders, exemptions or authorizations of, or other actions by, or declarations, registrations or filings with, any governmental entity ("**Governmental Consents**") are required to be obtained by HC in connection with (i) the execution, delivery and performance of this Agreement or the Ancillary Agreements, or (ii) the consummation of the transactions contemplated hereby or thereby.

e. **Litigation**.

(i) Other than as disclosed on Schedule 3.1 [Omitted pursuant to Item 601(a)(5) of Regulation S-K] attached hereto and made part of, HC has not received notice of any action, arbitration, suit, proceeding or investigation against HC or the Holding Companies; and

(ii) Other than as disclosed on Schedule 3.1 [Omitted pursuant to Item 601(a)(5) of Regulation S-K] attached hereto and made part of, to the knowledge of HC, no action, arbitration, suit, proceeding or investigation is pending or threatened against HC or the Holding Companies in relation to the assets, business or affairs of the HC or its ability to operate the business, or that would materially interfere with HC's ability to consummate the transactions contemplated by this Agreement.

f. **Outstanding liabilities**. There are no outstanding liabilities of HC other than as shown in the financial statements of HC.

g. **Tax returns**. Other than as disclosed on Schedule 3.1 [Omitted pursuant to Item 601(a)(5) of Regulation S-K] attached hereto and made part of, all tax returns, except for the current year (2018), have been filed and all taxes owed paid.

h. **Bankruptcy; Solvency**. There are no bankruptcy, insolvency, reorganization or receivership proceedings pending or, to the knowledge of HC, threatened against HC.

i. **Disclosure**. No representation, warranty or certification by HC in this Agreement and each Ancillary Agreement to which it is or will be a party contains an untrue statement of a material fact or omits a material fact required to be stated herein or therein to make the representations, warranties and or certifications contained herein or therein not misleading.

j. All representations and warranties contained herein shall be correct, accurate and effective as of the Closing Date.

3.2. Representations and Warranties of Springfield Partners II. Springfield Partners II represents and warrants to AWH as of the Closing Date as follows:

a. **Authority**. Springfield Partners II is a limited liability company, duly organized, validly existing and in good standing under the laws of the State of Illinois and has all requisite entity power and authority, by and through Stone as its Manager, to execute and deliver this Agreement and each Ancillary Agreement to which it is or will be a party, to perform its obligations hereunder and thereunder and to consummate the transactions contemplated hereby and thereby.

b. **Validity and Enforceability**. This Agreement is, and each of the other Ancillary Agreements to which Springfield Partners II is a party that shall be executed and delivered by Springfield Partners II, constitutes a valid and binding obligation of Springfield Partners II enforceable in accordance with its terms, except as such enforceability may be limited by applicable bankruptcy, insolvency, reorganization, moratorium and other similar law affecting the rights of creditors' generally and to general principles of equity, whether considered in a proceeding at law or in equity.

c. **No Conflict**. The execution, delivery and performance by Springfield Partners II of this Agreement and the documents to be delivered hereunder and the consummation of the transactions contemplated hereby, do not and will not:

(i) violate, conflict with or constitute a default under the Articles of Organization, operating agreement, or other organizational documents of Springfield Partners II;

(ii) violate or conflict with any judgment, order, decree, statute, law, ordinance, rule or regulation applicable to Springfield Partners II;

(iii) other than as may be contained in any loan documents with the Bank of Springfield, conflict with, or result in (with or without notice or lapse of time or both) any violation of, or default under, or give rise to a right of termination, acceleration or modification of any obligation or loss of any benefit under any contract or other instrument to which Springfield Partners II is a party; or

(iv) result in the creation or imposition of any encumbrance on Springfield Partners II.

d. **Consents**. Other than the Cannabis Consents, no consents, licenses, actions, notifications, waivers, approvals, orders, exemptions or authorizations of, or other actions by, or declarations, registrations or filings with, any governmental entity ("**Governmental Consents**") are required to be obtained by Springfield Partners II in connection with (i) the execution, delivery and performance of this Agreement or the Ancillary Agreements, or (ii) the consummation of the transactions contemplated hereby or thereby.

e. **Litigation**.

(i) Springfield Partners II has not received notice of any action, arbitration, suit, proceeding or investigation against Springfield Partners II; and

(ii) to the knowledge of Springfield Partners II, no action, arbitration, suit, proceeding or investigation is pending or threatened against Springfield Partners II in relation to the assets, business or affairs of Springfield Partners II or its ability to operate the business, or that would materially interfere with Springfield Partners II's ability to consummate the transactions contemplated by this Agreement.

f. **Outstanding liabilities**. There are no outstanding liabilities of Springfield Partners II other than as shown in the financial statements of Springfield Partners II.

g. **Tax returns**. All tax returns, except for the current year (2018), have been filed and all taxes owed paid.

h. **Bankruptcy; Solvency**. There are no bankruptcy, insolvency, reorganization or receivership proceedings pending or, to the knowledge of Springfield Partners II, threatened against Springfield Partners II.

i. **Disclosure**. No representation, warranty or certification by Springfield Partners II in this Agreement and each Ancillary Agreement to which it is or will be a party contains an untrue statement of a material fact or omits a material fact required to be stated herein or therein to make the representations, warranties and or certifications contained herein or therein not misleading.

j. All representations and warranties contained herein shall be correct, accurate and effective as of the Closing Date.

3.3. Representations and Warranties of HCI Holdings. HCI Holdings represents and warrants to AWH as of the Closing Date as follows:

a. **Authority**. HCI Holdings is a limited liability company, duly organized, validly existing and in good standing under the laws of the State of Illinois and has all requisite entity power and authority, by and through Stone as its Manager, to execute and deliver this Agreement and each Ancillary Agreement to which it is or will be a party, to perform its obligations hereunder and thereunder and to consummate the transactions contemplated hereby and thereby.

b. **Validity and Enforceability**. This Agreement is, and each of the other Ancillary Agreements to which HCI Holdings is a party that shall be executed and delivered by HCI Holdings, constitutes a valid and binding obligation of HCI Holdings enforceable in accordance with its terms, except as such enforceability may be limited by applicable bankruptcy, insolvency, reorganization, moratorium and other similar law affecting the rights of creditors' generally and to general principles of equity, whether considered in a proceeding at law or in equity.

c. **No Conflict**. The execution, delivery and performance by HCI Holdings of this Agreement and the documents to be delivered hereunder and the consummation of the transactions contemplated hereby, do not and will not:

(i) violate, conflict with or constitute a default under the Articles of Organization, operating agreement, or other organizational documents of HCI Holdings;

(ii) violate or conflict with any judgment, order, decree, statute, law, ordinance, rule or regulation applicable to HCI Holdings;

(iii) other than as may be contained in any loan documents with the Bank of Springfield, conflict with, or result in (with or without notice or lapse of time or both) any violation of, or default under, or give rise to a right of termination, acceleration or modification of any obligation or loss of any benefit under any contract or other instrument to which HCI Holdings is a party; or

(iv) result in the creation or imposition of any encumbrance on HCI Holdings.

d. **Consents**. Other than the Cannabis Consents, no consents, licenses, actions, notifications, waivers, approvals, orders, exemptions or authorizations of, or other actions by, or declarations, registrations or filings with, any governmental entity ("**Governmental Consents**") are required to be obtained by HCI Holdings in connection with (i) the execution, delivery and performance of this Agreement or the Ancillary Agreements, or (ii) the consummation of the transactions contemplated hereby or thereby.

e. **Litigation**.

(i) HCI Holdings has not received notice of any action, arbitration, suit, proceeding or investigation against HCI Holdings; and

(ii) to the knowledge of HCI Holdings, no action, arbitration, suit, proceeding or investigation is pending or threatened against HCI Holdings in relation to the assets, business or affairs of HCI Holdings or its ability to operate the business, or that would materially interfere with HCI Holdings' ability to consummate the transactions contemplated by this Agreement.

f. **Outstanding liabilities**. There are no outstanding liabilities of HCI Holdings other than as shown in the financial statements of HCI Holdings.

g. **Tax returns**. All tax returns, except for the current year (2018), have been filed and all taxes owed paid.

h. **Bankruptcy; Solvency**. There are no bankruptcy, insolvency, reorganization or receivership proceedings pending or, to the knowledge of HCI Holdings, threatened against HCI Holdings.

i. **Disclosure**. No representation, warranty or certification by HCI Holdings in this Agreement and each Ancillary Agreement to which it is or will be a party contains an untrue statement of a material fact or omits a material fact required to be stated herein or therein to make the representations, warranties and or certifications contained herein or therein not misleading.

j. All representations and warranties contained herein shall be correct, accurate and effective as of the Closing Date.

3.4. Additional Representations and Warranties of HC. HC represents and warrants to Purchaser as of the Closing Date as follows:

a. Stone has the full power and authority on behalf HC's members to execute this Agreement and validly assign, transfer, and convey all Membership Interests in HC to AWH.

b. Each member of HC holds, or as of Closing will hold, good, clean, clear, and marketable title in the Membership Interests being transferred, and such interests are free and clear of all liens and encumbrances.

c. No member of HC has entered into any agreement to sell, hypothecate or otherwise dispose of any Membership Interests in HC to any person.

d. Execution and delivery of this Agreement do not and will not result in a breach of, or constitute a default under, any contract, instrument, commitment or arrangement to which HC or any member of HC is a party, by which HC or any such member of HC is bound or to which any of HC's or any such member of HC's assets are subject.

e. Other than the Cannabis Consents, HC's members are not aware of any other approval or consent which is required to be obtained as a condition to the effectiveness of this Agreement.

3.5. Representations and Warranties of Purchaser. Purchaser represents and warrants to Seller as of the Closing Date as follows:

a. Purchaser is a limited liability company, duly organized, validly existing and in good standing under the laws of the State of Delaware and has all requisite entity power and authority to execute and deliver this Agreement and each Ancillary Agreement to which it is or will be a party, to perform its obligations hereunder and thereunder and to consummate the transactions contemplated hereby and thereby;

b. **Validity and Enforceability**. This Agreement is, and each of the other Ancillary Agreements to which Purchaser is a party that shall be executed and delivered by Purchaser, constitutes a valid and binding obligation of Purchaser enforceable in accordance with its terms, except as such enforceability may be limited by applicable bankruptcy, insolvency, reorganization, moratorium and other similar law affecting the rights of creditors generally and to general principles of equity, whether considered in a proceeding at law or in equity.

c. **No Conflict**. The execution, delivery and performance by Purchaser of this Agreement and the documents to be delivered hereunder and the consummation of the transactions contemplated hereby, do not and will not:

(i) violate, conflict with or constitute a default under the Articles of Organization, operating agreement, or other organizational documents of Purchaser;

(ii) violate or conflict with any judgment, order, decree, statute, law, ordinance, rule or regulation applicable to Purchaser;

(iii) conflict with, or result in (with or without notice or lapse of time or both) any violation of, or default under, or give rise to a right of termination, acceleration or modification of any obligation or loss of any benefit under any contract or other instrument to which Purchaser is a party; or

(iv) result in the creation or imposition of any encumbrance on Purchaser.

d. **Consents**. Other than, if necessary, obtaining prior approval from the Department of Agriculture authorizing merger of the HC Interests into AI, no consents, licenses, actions, notifications, waivers, approvals, orders, exemptions or authorizations of, or other actions by, or declarations, registrations or filings with, any governmental entity ("**Governmental Consents**") are required to be obtained by Purchaser in connection with (i) the execution, delivery and performance of this Agreement or the Ancillary Agreements, or (ii) the consummation of the transactions contemplated hereby or thereby.

e. **Litigation**.

(i) Purchaser has not received notice of any action, arbitration, suit, proceeding or investigation against Purchaser; and

(ii) to the knowledge of Purchaser, no action, arbitration, suit, proceeding or investigation is pending or threatened against Purchaser in relation to the assets, business or affairs of Purchaser or its ability to operate the business, or that would materially interfere with Purchaser's ability to consummate the transactions contemplated by this Agreement.

f. **Outstanding liabilities**. There are no outstanding liabilities of Purchaser other than as shown in the financial statements of Purchaser.

g. **Tax returns**. All tax returns, except for the current year (2018), have been filed and all taxes owed paid.

h. **Bankruptcy; Solvency**. There are no bankruptcy, insolvency, reorganization or receivership proceedings pending or, to the knowledge of Purchaser, threatened against Purchaser.

i. **Disclosure**. No representation, warranty or certification by Purchaser in this Agreement and each Ancillary Agreement to which it is or will be a party contains an untrue statement of a material fact or omits a material fact required to be stated herein or therein to make the representations, warranties and or certifications contained herein or therein not misleading.

j. All representations and warranties contained herein shall be correct, accurate and effective as of the Closing Date.

3.6. Representations and Warranties of AI. AI represents and warrants to Seller as of the Closing Date as follows:

a. AI is a limited liability company, duly organized, validly existing and in good standing under the laws of the State of Illinois and has all requisite entity power and authority to execute and deliver this Agreement and each Ancillary Agreement to which it is or will be a party, to perform its obligations hereunder and thereunder and to consummate the transactions contemplated hereby and thereby;

b. **Validity and Enforceability**. This Agreement is, and each of the other Ancillary Agreements to which AI is a party that shall be executed and delivered by AI, constitutes a valid and binding obligation of AI enforceable in accordance with its terms, except as such enforceability may be limited by applicable bankruptcy, insolvency, reorganization, moratorium and other similar law affecting the rights of creditors' generally and to general principles of equity, whether considered in a proceeding at law or in equity.

c. **No Conflict**. The execution, delivery and performance by AI of this Agreement and the documents to be delivered hereunder and the consummation of the transactions contemplated hereby, do not and will not:

(i) violate, conflict with or constitute a default under the Articles of Organization, operating agreement, or other organizational documents of AI;

(ii) violate or conflict with any judgment, order, decree, statute, law, ordinance, rule or regulation applicable to AI;

(iii) conflict with, or result in (with or without notice or lapse of time or both) any violation of, or default under, or give rise to a right of termination, acceleration or modification of any obligation or loss of any benefit under any contract or other instrument to which AI is a party; or

(iv) result in the creation or imposition of any encumbrance on AI.

d. **Consents**. Other than, if necessary, obtaining prior approval from the Department of Agriculture authorizing merger of the HC Membership Interests into AI, no consents, licenses, actions, notifications, waivers, approvals, orders, exemptions or authorizations of, or other actions by, or declarations, registrations or filings with, any governmental entity ("**Governmental Consents**") are required to be obtained by AI in connection with (i) the execution, delivery and performance of this Agreement or the Ancillary Agreements, or (ii) the consummation of the transactions contemplated hereby or thereby.

e. **Litigation**.

(i) AI has not received notice of any action, arbitration, suit, proceeding or investigation against AI; and

(ii) to the knowledge of AI, no action, arbitration, suit, proceeding or investigation is pending or threatened against AI in relation to the assets, business or affairs of AI or its ability to operate the business, or that would materially interfere with AI's ability to consummate the transactions contemplated by this Agreement.

f. **Outstanding liabilities**. There are no outstanding liabilities of AI other than as shown in the financial statements of AI.

g. **Tax returns**. All tax returns, except for the current year (2018), have been filed and all taxes owed paid.

h. **Bankruptcy; Solvency**. There are no bankruptcy, insolvency, reorganization or receivership proceedings pending or, to the knowledge of AI, threatened against AI.

i. **Disclosure**. No representation, warranty or certification by AI in this Agreement and each Ancillary Agreement to which it is or will be a party contains an untrue statement of a material fact or omits a material fact required to be stated herein or therein to make the representations, warranties and or certifications contained herein or therein not misleading.

j. All representations and warranties contained herein shall be correct, accurate and effective as of the Closing Date.

4. CONSIDERATION FOR TRANSFER AND ASSIGNMENT OF MEMBERSHIP INTERESTS. In consideration for the purchase, sale, transfer and assignment of the Membership Interests in HC, the Parties hereby agree to the following:

4.1. Purchase Price. The total purchase price for the HC Membership Interest shall be EIGHT MILLION SEVEN HUNDRED FIFTY THOUSAND DOLLARS AND 00/100

($8,750,000.00) (the “Purchase Price”), payable by Purchaser to Seller via wire transfer of immediately available funds in the following installments:

a. Fifty percent (50%) of the Purchase Price on January 1, 2019 following the Closing Date and consummation of the definitive agreements, totaling FOUR MILLION THREE HUNDRED SEVENTY FIVE THOUSAND DOLLARS AND 00/100 ($4,375,000.00); and

b. Fifty percent (50%) of the Purchase Price payable on or before August 15, 2019, totaling FOUR MILLION THREE HUNDRED SEVENTY FIVE THOUSAND DOLLARS AND 00/100 ($4,375,000.00).

4.2. Membership Interest in AI. HC’s members shall collectively receive twenty percent (20.0%) Membership Interest in AI (the “**AI Interest**”).

4.3. Intentionally Left Blank.

4.4. Executive Employment of Chris Stone. AI shall name Stone the CEO of AI and he shall be compensated with a salary of [***] DOLLARS ($[***]) per annum as well as additional compensation in the form of a bonus, equity and incentive plan to be more fully enumerated in an executive employment agreement (the “Executive Employment Agreement”) that shall be executed contemporaneous with the Closing.

4.5. Executive Management Team. In his role as CEO of AI, Stone will select from the HC’s existing personnel, three executives to join the AI executive management team. Individuals earning a salary of $[***] or greater as of October 11, 2018 shall be entitled to receive as much as a [***] percent ([***]%) increase in annual pay. Individuals earning a salary of less than $[***] as of October 11, 2018 shall be entitled to receive as much as a [***] percent ([***]%) increase in annual pay.

5. DEBTS AND LIABILITIES. At Closing, Purchaser or AI shall assume all indebtedness related to the Real Estate Transactions contemplated by the Parties. At the close of such Real Estate Transactions, the Parties thereto shall then transfer such real property involved to Purchaser or AI.

6. COVENANTS OF HC.

6.1. Conduct of Business. Except as otherwise contemplated herein, between the date hereof and the Closing Date, or the time when this Agreement terminates as provided herein, HC, by and through its Manager, agree not to:

a. Make any changes in its authorized equity ownership interests except for those contemplated herein;

b. Issue any Membership Interests or other equity interests, securities convertible into its Membership Interests or other equity interests, or any debt securities;

c. Issue or grant any options, warrants, or other rights to purchase Membership Interests or other equity interests;

d. Declare or pay any dividends or other distributions on any Membership Interests;

e. Purchase or otherwise acquire or agree to acquire for a consideration any Membership Interests;

f. Take any action materially and adversely affecting this Agreement or the transactions contemplated hereby or the Company's financial condition (present or prospective), businesses, properties, or operations;

g. Acquire, consolidate or merge with any other company, corporation, or association, or acquire, other than in the ordinary course of business, any assets of any other company, corporation, or association;

h. Mortgage, pledge, or subject to a lien or any other encumbrance, any of its assets, dispose of any of its assets, or incur or cancel any debts or claims except as provided herein;

i. Amend its organizational documents or operating agreement; or

j. Take any action to solicit, initiate, encourage, or authorize any person, including members and other employees, to solicit from any third party any inquiries or proposals relating to the disposition of its business or assets, or the acquisition of its Membership Interests, or the merger of it with or sale of any of its Membership Interests to, any person other than the Purchaser, and they shall promptly notify Purchaser in writing of all relevant details relating to all inquiries and proposals which they may receive relating to any of such matters.

7. SURVIVAL OF REPRESENTATIONS AND WARRANTIES. The representations and warranties given by Purchaser and Seller shall survive the Closing for a period of [***], after which they shall cease and a breach thereof shall not be actionable.

8. REGULATORY REQUIREMENTS.

8.1. Notice to Administrative Agencies. The respective Parties referenced below agree to notify the applicable administrative agencies regarding the changes of ownership and principal officers contemplated herein as follows:

a. HC and its members shall comply with the requirements of dispensing organizations pursuant to Title 68, Part 1290.130 of the Illinois Administrative Code, including but not limited to providing written notice of the addition of AWH as an entity listed as principal officer to the IDFPR no less than ten (10) business days prior to Closing, and providing written notice to the IDFPR of the change in ownership of HC to AWH (and subsequently AI) and supplying all ownership documents and change of ownership documents requested by the

IDFPR. If applicable, the Parties shall work in good faith to attempt to reform this Agreement as necessary through appropriate amendment in order to secure the approval of the IDFPR for the transfer of HC to Purchaser and AI, as contemplated herein.

b. To the extent necessary and as a condition of receipt of the AI Interest, HC, its members, and AI shall comply with any Illinois Department of Agriculture notice requirements for cultivation centers pursuant to Title 8, Part 1000.120(c) and (d) regarding the transfer of interest or ownership and proposed changes of persons or principal officers and shall provide any documentation requested by the Department of Agriculture to obtain the necessary approval for any financial interest in a cultivation center owned or contemplated for ownership by AI.

8.2. Purchaser Compliance. If so required, Purchaser agrees to complete and submit all forms and documents required by Title 68, Part 1290 to become a Principal Officer of HC and in furtherance of the transaction contemplated herein.

8.3. Seller Compliance. If so required, Seller agrees to obtain or submit any and all consents, notices, acknowledgments, filings, or other requirements of any governmental entity or under any license held by Seller (the "Cannabis Consents") in connection with the Seller's business including, without limitation, the HC licenses.

9. SECURITIES LAW ACKNOWLEDGMENTS. The Parties acknowledge that:

a. HC has not and will not be registered under the United States Securities Act of 1933, as amended, or under any securities or "blue sky" laws of any state of the United States, and, unless so registered, may not be offered or sold in the United States or, directly or indirectly, to any U.S. Person (as defined in Rule 902(k) of Regulation S, promulgated by the Securities and Exchange Commission under the 1933 Act, except in accordance with the provisions of Regulation S, pursuant to an effective registration statement under the 1933 Act, or pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the 1933 Act, and in each case only in accordance with applicable state, provincial and foreign securities laws;

b. The Parties have not undertaken, and will have no obligation, to register HC under the 1933 Act or any other applicable securities laws;

c. There are risks associated with the merger and assignment of HC into AWH; and

d. The Parties have had a reasonable opportunity to ask questions of, and receive answers from one another in connection with the distribution of HC hereunder, and to obtain additional information, to the extent possessed or obtainable without unreasonable effort or expense, necessary to verify the accuracy of the information about HC.

10. INDEMNIFICATION.

10.1. Indemnification by Seller. Seller shall defend, indemnify and hold harmless Purchaser, its affiliates (including the Companies from and after the Closing Date) and their respective members, directors, officers and employees from and against all claims, judgments, damages, liabilities, settlements, losses, costs and expenses, including attorneys' fees and disbursements (each a "Loss"), arising from or relating to:

a. any inaccuracy in or breach of any of the representations or warranties of Seller, contained in this Agreement or any document to be delivered hereunder; or

b. any breach or non-fulfillment of any covenant, agreement or obligation to be performed by Seller, pursuant to this Agreement or any document to be delivered hereunder.

10.2. Indemnification by Purchaser. Purchaser shall defend, indemnify and hold harmless Seller, its affiliates (including the Companies from and after the Closing Date) and their respective members, directors, officers and employees from and against all claims, judgments, damages, liabilities, settlements, losses, costs and expenses, including attorneys' fees and disbursements (each a "Loss"), arising from or relating to:

a. any inaccuracy in or breach of any of the representations or warranties of Seller, contained in this Agreement or any document to be delivered hereunder; or

b. any breach or non-fulfillment of any covenant, agreement or obligation to be performed by Purchaser pursuant to this Agreement or any document to be delivered hereunder.

11. REPRESENTATION BY COUNSEL. The Parties acknowledge that they have been represented by competent and informed counsel in connection with regard to the subject matter of this Agreement or have had the opportunity to consult with such legal counsel but have so declined. Because all Parties participated in the negotiation and drafting of this Agreement, no party shall be deemed the primary drafter hereof for purposes of its construction or interpretation.

12. MISCELLANEOUS.

12.1. Recitals. The recitals set forth above are incorporated herein by this reference as an integral part of this Agreement.

12.2. Severability. The provisions of this Agreement are severable and separate; if one or more provisions is held to be invalid, unenforceable or void by law, the remaining provisions shall be severed therefrom and shall remain in full force and effect as though the invalid or unenforceable provision(s) had not been included in this Agreement.

12.3. Governing Law. This Agreement shall be construed in accordance with the laws of the State of Illinois as a contract made and to be wholly performed therein.

12.4. Attorneys' Fees. In the event of a dispute between the Parties arising from this Agreement, the substantially prevailing party shall be entitled to recover as part of the award, reasonable attorneys' fees and costs of suit.

12.5. Notices. All notices, requests, consents, demands, waivers and other communications under this Agreement shall be in writing and shall be deemed to have been 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 (receipt requested); or

c. on the date sent by facsimile or e-mail of a PDF document (with confirmation of transmission) if sent during normal business hours of the recipient, and on the next Business Day if sent after normal business hours of the recipient.

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):

a. If to **Seller**:

Christopher Stone
CEO
HealthCentral
[Redacted]
[Redacted]

b. If to **Purchaser**:

Abner Kurtin
Managing Partner
Ascend Wellness Holdings, LLC
[Redacted]
[Redacted

12.6. Entire Agreement. This Agreement and the documents to be delivered hereunder constitute the sole and entire agreement of the Parties to this Agreement with respect to the subject matter contained herein, and supersede all prior and contemporaneous understandings and agreements, both written and oral, with respect to such subject matter. In the event of any inconsistency between the statements in the body of this Agreement and those in documents to be delivered hereunder, the statements in the body of this Agreement will control.

12.7. Successors and Assigns. This Agreement shall be binding upon and shall inure to the benefit of the Parties hereto and their respective successors and permitted assigns. Neither party may assign its rights or obligations hereunder without the prior written consent of the other

party, which consent shall not be unreasonably withheld or delayed. No assignment shall relieve the assigning party or any of its obligations hereunder.

12.8. Amendment and Modification. This Agreement may only be amended, modified or supplemented by an agreement in writing signed by each party hereto.

12.9. Confidentiality. The existence, nature, terms and conditions of this Agreement are strictly confidential and shall not be disclosed by Seller in any manner or form, directly or indirectly, to any person under any circumstances except as required to comply with regulatory requirements.

12.10. Time is of the Essence. Time is of the essence in each and every element of performance hereunder.

12.11. Counterparts. This Agreement may be executed electronically and in counterparts, all of which shall constitute but one original document.

THIS AGREEMENT is executed effective as of the Effective Date.

***HealthCentral, LLC, d/b/a HCI Alternatives*,** an Illinois limited liability company:

/s/ Christopher Stone
By:Christopher Stone
Title: CEO

Date: 11/5/18

***Springfield Partners II, LLC*,** an Illinois limited liability company:

/s/ Christopher Stone
By:Christopher Stone
Title: Manager and Sole Member

Date: 11/5/18

***HealthCentral Illinois Holdings, LLC*,** an Illinois limited liability company:

/s/ Christopher Stone
By:Christopher Stone
Title: Manager and Sole Member

Date: 11/5/18

[Signatures continued on the following page]

Ascend Illinois, LLC, an Illinois limited liability company:

/s/Abner Kurtin
By: Abner Kurtin
Title: Managing Partner

Date: 11/6/18

Ascend Wellness Holdings, LLC, a Delaware limited liability company:

/s/Abner Kurtin
By: Abner Kurtin
Title: Managing Partner

Date: 11/6/18

[***]

Exhibit 3.1

CERTIFICATE OF FORMATION

OF

ASCEND GROUP PARTNERS, LLC

1. The name of the limited liability company is Ascend Group Partners, LLC.

2. The address of its registered office in the State of Delaware is: Corporation Trust Center, 1209 Orange Street, in the City of Wilmington, Delaware 19801. The name of its registered agent at such address is The Corporation Trust Company.

IN WITNESS WHEREOF, the undersigned have executed this Certificate of Formation of Ascend Group Partners, LLC this 15th day of May, 2018.

/s/ Daniel A. DiPietro

Daniel A. DiPietro, authorized officer

STATE OF DELAWARE
CERTIFICATE OF AMENDMENT

1. Name of Limited Liability Company: Ascend Group Partners, LLC

2. The Certificate of Formation of the limited liability company is hereby amended as follows:

The Certificate of Formation, filed on May 15, 2018, is hereby amended to change the name from Ascend Group Partners, LLC to the following:

Ascend Wellness Holdings, LLC.

IN WITNESS WHEREOF, the undersigned have executed this Certificate on the 10th day of September, A.D. 2018.

By: /s/ Abner Kurtin
Authorized Person(s)

Name: Abner Kurtin
Print or Type

CONFIDENTIAL TREATMENT REQUESTED - REDACTED COPY

FIFTH AMENDED AND RESTATED LIMITED LIABILITY COMPANY AGREEMENT

between

ASCEND WELLNESS HOLDINGS, LLC

and

THE MEMBERS NAMED HEREIN

Dated as of:

March 2, 2021

Certain identified information has been omitted from this exhibit because it is not material and would likely cause competitive harm to the registrant if publicly disclosed. [***] indicates that information has been omitted.

FIFTH AMENDED AND RESTATED LIMITED LIABILITY COMPANY AGREEMENT

This Fifth Amended and Restated Limited Liability Company Agreement of Ascend Wellness Holdings, LLC, a Delaware limited liability company (the "**Company**"), is entered into as of March 2, 2021 and amends and restates that certain Fourth Amended and Restated Limited Liability Company Agreement dated as of November 3, 2020 (the "**Prior Agreement**"), and is entered into by and among the Company, those Persons listed as Members on Schedule A attached hereto, and each Person who after the date hereof becomes a Member of the Company and becomes a party to this Agreement by executing a Joinder Agreement. This Agreement supersedes any prior agreements relating to the subject matter hereof, including the Prior Agreement.

RECITALS

WHEREAS, the Company was formed under the laws of the State of Delaware by the filing of the Certificate of Formation with the Secretary of State of the State of Delaware on May 15, 2018 (the "**Certificate of Formation**");

WHEREAS, the Company desires to amend and restate the Prior Agreement in its entirety as set forth herein for the purposes of, and on the terms and conditions set forth in this Agreement;

WHEREAS, pursuant to the Prior Agreement, the Prior Agreement may be amended pursuant to a writing executed by the Company, pursuant to a vote of the Requisite Managers, and Members holding a majority of the outstanding Common Units and Preferred Units (calculated on an as-converted into Common Units basis) voting together as a single class; and

WHEREAS, the Requisite Managers have voted to authorize the Company to enter into this Agreement;

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

ARTICLE I
DEFINITIONS

Section 1.01 Definitions. Capitalized terms used herein and not otherwise defined shall have the meanings set forth in this Section 1.01:

"**Acceptance Notice**" has the meaning set forth in Section 9.01(d).

"**Act**" means the Delaware Limited Liability Company Act (6 Del. C. §18-101 et seq.) and any successor statute, as amended from time to time.

"**Additional Common Units**" shall mean all Common Units issued (or deemed to be issued) by the Company after the date hereof, other than (1) Common Units or Convertible Securities issued to Managers, Officers or other Service Providers pursuant to any Incentive

Plan, (2) the following Common Units and (3) Common Units deemed issued pursuant to the following Convertible Securities:

(A) Common Units or Convertible Securities issued as a dividend or distribution on Preferred Units;

(B) Common Units or Convertible Securities issued by reason of a Unit dividend, Unit split, split-up or other distribution on Common Units; or

(C) Common Units or Convertible Securities actually issued upon conversion or exchange of Convertible Securities, in each case provided such issuance is pursuant to the terms of such Convertible Security.

"**Adjusted Capital Account** means the balance in the Capital Account maintained for each Member as of the end of each Fiscal Year (a) increased by any amount that such Member is obligated to restore under this Agreement, is treated as obligated to restore under Treasury Regulations Section 1.704-1(b)(2)(ii)(c), or is deemed obligated to restore under the penultimate sentences of Treasury Regulations Section 1.704-2(g)(1) and (i)(5), and (b) reduced by the items described in Treasury Regulations Section 1.704-1(b)(2)(ii)(d)(4), (5) and (6). This definition of Adjusted Capital Account is intended to comply with the provisions of Treasury Regulations Section 1.704-1(b)(2)(ii)(d) and shall be interpreted and applied consistently therewith.

"**Adjusted Taxable Income**" of a Member for a Fiscal Year (or portion thereof) with respect to Units held by such Member means the federal taxable income allocated by the Company to the Member with respect to such Units (as adjusted by any final determination in connection with any tax audit or other proceeding) for such Fiscal Year (or portion thereof); provided, that such taxable income shall be computed (a) minus any excess taxable loss or excess taxable credits of the Company for any prior period allocable to such Member with respect to such Units that were not previously taken into account for purposes of determining such Member's Adjusted Taxable Income in a prior Fiscal Year to the extent such loss or credit would be available under the Code to offset income of the Member (or, as appropriate, the direct or indirect members of the Member) determined as if the income, loss, and credits from the Company were the only income, loss, and credits of the Member (or, as appropriate, the direct or indirect members of the Member) in such Fiscal Year and all prior Fiscal Years, and (b) taking into account any special basis adjustment with respect to such Member resulting from an election by the Company under Code Section 754.

"**Affected Member**" has the meaning set forth in Section 4.16.

"**Affiliate**" means, with respect to any Person, any other Person who, directly or indirectly (including through one or more intermediaries), controls, is controlled by, or is under common control with, such Person. For purposes of this definition, "control," when used with respect to any specified Person, shall mean the power, direct or indirect, to direct or cause the direction of the management and policies of such Person, whether through ownership of voting securities or partnership or other ownership interests, by contract or otherwise; and the terms "controlling" and "controlled" shall have correlative meanings.

"**Agreement**" means this Fifth Amended and Restated Limited Liability Company Agreement, as executed and as it may be amended, modified, supplemented or restated from time to time, as provided herein.

"**Applicable Law**" means all applicable provisions of (a) constitutions, treaties, statutes, laws (including the common law), rules, regulations, decrees, ordinances, codes, proclamations, declarations or orders of any Governmental Authority; (b) any consents or approvals of any Governmental Authority; and (c) any orders, decisions, advisory or interpretative opinions, injunctions, judgments, awards, decrees of, or agreements with, any Governmental Authority.

"**Applicable Pro Rata Portion**" means a Member's Preferred Pro Rata Portion of any New Preferred Securities proposed to be issued or sold by the Company and a Member's Common Pro Rata Portion of any New Common Securities proposed to be issued or sold by the Company.

"**Award Agreement**" means each agreement memorializing a grant of Common Units or Convertible Securities to an Officer, Manager or any other Service Provider under any Incentive Plan.

"**Bankruptcy**" means, with respect to a Member, the occurrence of any of the following: (a) the filing of an application by such Member for, or a consent to, the appointment of a trustee of such Member's assets; (b) the filing by such Member of a voluntary petition in bankruptcy or the filing of a pleading in any court of record admitting in writing such Member's inability to pay its debts as they come due; (c) the making by such Member of a general assignment for the benefit of such Member's creditors; (d) the filing by such Member of an answer admitting the material allegations of, or such Member's consenting to, or defaulting in answering a bankruptcy petition filed against such Member in any bankruptcy proceeding; or (e) the expiration of thirty (30) days following the entry of an order, judgment or decree by any court of competent jurisdiction adjudicating such Member a bankrupt or appointing a trustee of such Member's assets.

"**Board**" has the meaning set forth in Section 8.01.

"**Book Depreciation**" means, with respect to any Company asset for each Fiscal Year, the Company's depreciation, amortization, or other cost recovery deductions determined for federal income tax purposes, except that if the Book Value of an asset differs from its adjusted tax basis at the beginning of such Fiscal Year, Book Depreciation shall be an amount which bears the same ratio to such beginning Book Value as the federal income tax depreciation, amortization, or other cost recovery deduction for such Fiscal Year bears to such beginning adjusted tax basis; provided, that if the adjusted basis for federal income tax purposes of an asset at the beginning of such Fiscal Year is zero and the Book Value of the asset is positive, Book Depreciation shall be determined with reference to such beginning Book Value using any permitted method selected by the Board in accordance with Treasury Regulation Section 1.704-1(b)(2)(iv)(g)(3).

"**Book Value**" means, with respect to any Company asset, the adjusted basis of such asset for federal income tax purposes, except as follows:

(a) the initial Book Value of any Company asset contributed by a Member to the Company shall be the gross Fair Market Value of each such Company asset as of the date of such contribution;

(b) immediately prior to the Distribution by the Company of any Company asset to a Member, the Book Value of such asset shall be adjusted to its gross Fair Market Value as of the date of such Distribution;

(c) the Book Value of all Company assets may be adjusted to equal their respective gross Fair Market Values, as determined by the Board, as of the following times:

(i) the acquisition of an additional Membership Interest in the Company by a new or existing Member in consideration of a Capital Contribution of more than a de minimis amount;

(ii) the acquisition of a Membership Interest in the Company by a new or existing Member in consideration of services to or on behalf of the Company;

(iii) the Distribution by the Company to a Member of more than a de minimis amount of property (other than cash) as consideration for all or a part of such Member's Membership Interest in the Company;

(iv) the liquidation of the Company within the meaning of Treasury Regulation Section 1.704-1(b)(2)(ii)(g);

provided, that adjustments pursuant to clauses (i), (ii) and (iii) above need not be made if the Board reasonably determines that such adjustment is not necessary or appropriate to reflect the relative economic interests of the Members and that the absence of such adjustment does not adversely and disproportionately affect any Member;

(d) the Book Value of each Company asset shall be increased or decreased, as the case may be, to reflect any adjustments to the adjusted tax basis of such Company asset pursuant to Code Section 734(b) or Code Section 743(b), but only to the extent that such adjustments are taken into account in determining Capital Account balances pursuant to Treasury Regulation Section 1.704-1(b)(2)(iv)(m); provided, that Book Values shall not be adjusted pursuant to this paragraph (d) to the extent that an adjustment pursuant to paragraph (c) above is made in conjunction with a transaction that would otherwise result in an adjustment pursuant to this paragraph (d); and

(e) if the Book Value of a Company asset has been determined pursuant to paragraph (a) or adjusted pursuant to paragraphs (c) or (d) above, such Book Value shall thereafter be adjusted to reflect the Book Depreciation taken into account with respect to such Company asset for purposes of computing Net Income and Net Losses.

"**Business Day**" means a day other than a Saturday, Sunday or other day on which commercial banks in the City of New York are authorized or required to close.

"**Cannabis Code**" means any laws or regulations promulgated or enacted by state or local jurisdiction in which the Company or its subsidiaries have operations pertaining to cannabis cultivation, dispensing, sale, storage, manufacturing, distribution, transporting, testing or other commercial cannabis activities within its respective jurisdiction.

"**Cannabis Regulatory Body**" means all applicable State and local licensing authorities with authority under a Cannabis Code, as the case may be.

"**Capital Account**" has the meaning set forth in Section 5.03.

"**Capital Contribution**" means, for any Member, the total amount of cash and cash equivalents and the Book Value of any property contributed to the Company by such Member as reflected on the Members Schedule, as the same may be amended from time to time.

"**Cause**" with respect to any particular Service Provider, has the meaning set forth in any effective Award Agreement, employment agreement or other written contract of engagement entered into between the Company and such Service Provider, or if none, then "Cause" means any of the following:

(a) such Service Provider's repeated failure to perform substantially his duties as an employee or other associate of the Company or any of the Company Subsidiaries (other than any such failure resulting from his Disability) which failure, whether committed willfully or negligently, has continued unremedied for more than thirty (30) days after the Company has provided written notice thereof; provided, that a failure to meet financial performance expectations shall not, by itself, constitute a failure by the Service Provider to substantially perform his duties;

(b) such Service Provider's fraud or embezzlement;

(c) such Service Provider's material dishonesty or breach of fiduciary duty against the Company or any of the Company Subsidiaries;

(d) such Service Provider's willful misconduct or gross negligence which is injurious to the Company or any of the Company Subsidiaries;

(e) any conviction of, or the entering of a plea of guilty or nolo contendere to, a crime that constitutes a felony (or any state-law equivalent) or that involves moral turpitude, or any willful or material violation by such Service Provider of any federal, state or foreign securities laws;

(f) any conviction of any other criminal act or act of material dishonesty, disloyalty or misconduct by such Service Provider that has a material adverse effect on the property, operations, business or reputation of the Company or any of the Company Subsidiaries;

(g) the unlawful use (including being under the influence) or possession of illegal drugs by such Service Provider on the premises of the Company or any of the Company Subsidiaries while performing any duties or responsibilities with the Company or any of the Company Subsidiaries;

(h) the material violation by such Service Provider of any rule or policy of the Company or any of the Company Subsidiaries; or

(i) the material breach by such Service Provider of any covenant undertaken in Article XI herein, any effective Award Agreement, employment agreement or any written non-disclosure, non-competition, or non-solicitation covenant or agreement with the Company or any of the Company Subsidiaries.

"**Certificate of Formation**" has the meaning set forth in the Recitals.

"**Change of Control**" means: (a) the sale (or series of related sales) of all or substantially all of the consolidated assets of the Company and the Company Subsidiaries to a Third Party Purchaser; (b) a sale (or series of related sales) resulting in no less than a majority of the Common Units on a Fully Diluted Basis being held by a Third Party Purchaser; or (c) a merger, consolidation, recapitalization or reorganization of the Company with or into a Third Party Purchaser that results in the inability of those Members holding Membership Interests in the Company immediately prior to the merger, consolidation, recapitalization or reorganization of the Company to designate or elect a majority of the Managers (or the board of directors (or its equivalent) of the resulting entity or its parent company).

"**Code**" means the Internal Revenue Code of 1986, as amended.

"**Common Manager**" has the meaning set forth in Section 8.02(a)(i).

"**Common Pro Rata Portion**" means with respect to any Pre-emptive Member holding Common Units or Preferred Units, on any issuance date for New Common Securities, a fraction determined by dividing (a) the number of Common Units and Preferred Units on a Fully Diluted Basis owned by such Pre-emptive Member immediately prior to such issuance by (b) the total number of Common Units and Preferred Units on a Fully Diluted Basis held by the Members on such date immediately prior to such issuance.

"**Common Units**" means the Units having the privileges, preference, duties, liabilities, obligations and rights specified with respect to "Common Units" in this Agreement.

"**Company**" has the meaning set forth in the Preamble.

"**Company Interest Rate**" means a rate equal to the prime rate published in the Wall Street Journal on the applicable date plus two percent (2%).

"**Company Minimum Gain**" means "partnership minimum gain" as defined in Section 1.704-2(b)(2) of the Treasury Regulations, substituting the term "Company" for the term "partnership" as the context requires.

"**Company Subsidiary**" means a Subsidiary of the Company.

"**Confidential Information**" has the meaning set forth in Section 11.01.

"**Contingency Event**" has the meaning set forth in Section 3.04(c)(i).

"**Conversion Rate**" has the meaning set forth in Section 3.04(a).

"**Conversion Rights**" has the meaning set forth in Section 3.04.

"**Conversion Time**" has the meaning set forth in Section 3.04(c).

"**Convertible Securities**" means any evidence of indebtedness, Units or other securities directly or indirectly convertible into, exercisable for or exchangeable for Common Units.

"**Corporate Election Effective Date**" means the date on which the Company's election under Treasury Regulation Section 301.7701-3(c) to be classified for federal income tax purposes as an association taxable as a corporation is effective.

"**Covered Person**" has the meaning set forth in Section 14.01(a).

"**Diluted Units**" has the meanings set forth in Section 3.05(b).

"**Disability**" with respect to any Service Provider, has the meaning set forth in any effective Award Agreement, employment agreement or other written contract of engagement entered into between the Company and such Service Provider, or if none, then "**Disability**" means such Service Provider's incapacity due to physical or mental illness that: (a) shall have prevented such Service Provider from performing his duties for the Company or any of the Company Subsidiaries on a full-time basis for more than ninety (90) or more consecutive days or an aggregate of one hundred eighty (180) days in any 365-day period; or (b)(i) the Board determines, in compliance with Applicable Law, is likely to prevent such Service Provider from performing such duties for such period of time and (ii) thirty (30) days have elapsed since delivery to such Service Provider of the determination of the Board and such Service Provider has not resumed such performance (in which case the date of termination in the case of a termination for **Disability** pursuant to this clause (ii) shall be deemed to be the last day of such 30-day period).

"**Distribution**" means a distribution made by the Company to a Member, whether in cash, property or securities of the Company and whether by liquidating distribution or otherwise; provided, that none of the following shall be a Distribution: (a) any redemption or repurchase by the Company or any Member of any Units or Unit Equivalents; (b) any recapitalization or exchange of securities of the Company; (c) any subdivision (by a split of Units or otherwise) or any combination (by a reverse split of Units or otherwise) of any outstanding Units; or (d) any fees or remuneration paid to any Member in such Member's capacity as a Service Provider for the Company or a Company Subsidiary. "**Distribute**" when used as a verb shall have a correlative meaning.

"**Drag-along Member**" has the meaning set forth in Section 10.04(a).

"**Drag-along Notice**" has the meaning set forth in Section 10.04(c).

"**Drag-along Sale**" has the meaning set forth in Section 10.04(a).

"**Dragging Member**" has the meaning set forth in Section 10.04.

"**Electronic Transmission**" means any form of communication not directly involving the physical transmission of paper that creates a record that may be retained, retrieved and reviewed by a recipient thereof and that may be directly reproduced in paper form by such a recipient through an automated process.

"**Estimated Tax Amount**" of a Member for a Fiscal Year means the Member's Tax Amount for such Fiscal Year as estimated in good faith from time to time by the Board. In making such estimate, the Board shall take into account amounts shown on Internal Revenue Service Form 1065 filed by the Company and similar state or local forms filed by the Company for the preceding taxable year and such other adjustments as in the reasonable business judgment of the Board are necessary or appropriate to reflect the estimated operations of the Company for the Fiscal Year.

"**Excess Amount**" has the meaning set forth in Section 7.03(c).

"**Exempted Securities**" means those securities that are not Additional Common Units pursuant to the definition thereof.

"**Exercise Period**" has the meaning set forth in Section 9.01(d).

"**Exercising Member**" has the meaning set forth in Section 9.01(e).

"**Fair Market Value**" of any asset as of any date means the purchase price that a willing buyer having all relevant knowledge would pay a willing seller for such asset in an arm's length transaction, as determined in good faith by the Board based on such factors as the Board, in the exercise of its reasonable business judgment, considers relevant.

"**Family Members**" has the meaning set forth in Section 10.02(b).

"**Financing Document**" means any credit agreement, guarantee, financing or security agreement or other agreements or instruments governing indebtedness of the Company or any of the Company Subsidiaries.

"**Fiscal Year**" means the calendar year, unless the Company is required to have a taxable year other than the calendar year, in which case Fiscal Year shall be the period that conforms to its taxable year.

"**Forfeiture Allocations**" has the meaning set forth in Section 6.02(f).

"**Fully Diluted Basis**" means, as of any date of determination, (a) with respect to all the Units, all issued and outstanding Units of the Company and all Units issuable upon the exercise of any outstanding Unit Equivalents as of such date, whether or not such Unit Equivalent is at the time exercisable, or (b) with respect to any specified type, class or series of Units, all issued and outstanding Units designated as such type, class or series and all such designated Units issuable upon the exercise of any outstanding Unit Equivalents as of such date, whether or not such Unit Equivalent is at the time exercisable.

"**GAAP**" means United States generally accepted accounting principles in effect from time to time.

"**Good Reason**" with respect to any Service Provider, has the meaning set forth in any effective Award Agreement, employment agreement or other written contract of engagement entered into between the Company and such Service Provider, or if none, then "Good Reason" means any of the following actions taken without the Service Provider's written consent:

(a) a material reduction in the Service Provider's base salary or the Service Provider's ability to participate in Company incentive or bonus plans (other than a general reduction in base salary or bonuses that affects all salaried Service Providers equally);

(b) the failure by the Company to pay to the Service Provider any material portion of the salary, bonus or other benefits owed to such Service Provider;

(c) a substantial adverse change in the Service Provider's duties and responsibilities or a material diminution in the Service Provider's title, responsibility, or authority; or

(d) a transfer of the Service Provider's primary workplace by more than fifty (50) miles from the current workplace; *provided*, that Good Reason shall not be deemed to exist unless (a) the Company fails to cure the event giving rise to Good Reason within thirty (30) days after written notice thereof given by the Service Provider to the Board, which notice shall (i) be delivered to the Board no later than twenty (20) days following the Service Provider's initial detection of the condition, and (ii) specifically set forth the nature of such event and the corrective action reasonably sought by the Service Provider; and (b) the Service Provider terminates his employment within thirty (30) days following the last day of the foregoing cure period.

"**Governmental Authority**" means any federal, state, local or foreign government or political subdivision thereof, or any agency or instrumentality of such government or political subdivision, or any self-regulated organization or other non-governmental regulatory authority or quasi-governmental authority (to the extent that the rules, regulations or orders of such organization or authority have the force of law), or any arbitrator, court or tribunal of competent jurisdiction.

"**Initial Cost**" means, with respect to any Unit, the purchase price paid to the Company with respect to such Unit by the Member to whom such Unit was originally issued.

"**Initial Public Offering**" has the meaning set forth in Section 15.19.

"**IPO Entity**" has the meaning set forth in Section 15.19.

"**Issuance Notice**" has the meaning set forth in Section 9.01(c).

"**Joinder Agreement**" means the joinder agreement in form attached hereto as Exhibit A.

"**Key Individual**" means any Manager, Officer, or employee of the Company that has substantial operational control over the operations of the Company.

"**Liquidator**" has the meaning set forth in Section 13.03(a).

"**Losses**" has the meaning set forth in Section 14.03(a).

"**Manager**" has the meaning set forth in Section 8.01(b).

"**Member**" means (a) each Person identified on the Members Schedule as of the date hereof as a Member and who has executed this Agreement, the Prior Agreement or a joinder thereto; and (b) and each Person who is hereafter admitted as a Member in accordance with the terms of this Agreement in each case so long as such Person is shown on the Company's books and records as the owner of one or more Units. The Members shall constitute the "members" of the Company.

"**Member Group**" means Members under common control. As of the date hereof, for the purposes of this definition the following entities shall be considered a Member Group: [***].

"**Member Nonrecourse Debt**" means "partner nonrecourse debt" as defined in Treasury Regulation Section 1.704-2(b)(4), substituting the term "Company" for the term "partnership" and the term "Member" for the term "partner" as the context requires.

"**Member Nonrecourse Debt Minimum Gain**" means an amount, with respect to each Member Nonrecourse Debt, equal to the Company Minimum Gain that would result if the Member Nonrecourse Debt were treated as a Nonrecourse Liability, determined in accordance with Treasury Regulation Section 1.704-2(i)(3).

"**Member Nonrecourse Deduction**" means "partner nonrecourse deduction" as defined in Treasury Regulation Section 1.704-2(i), substituting the term "Member" for the term "partner" as the context requires.

"**Members Schedule**" has the meaning set forth in Section 3.01.

"**Membership Interest**" means an interest of the Company owned by a Member, including such Member's right (based on the type and class of Unit or Units held by such Member), as applicable to any and all benefits to which such Member may be entitled as provided in this Agreement.

"**Net Income**" means the excess (if any) of the Company's items of income and gain over its items of loss and deduction.

"**Net Loss"** means the excess (if any) of the Company's items of loss and deduction over its items of income and gain, in all cases computed in accordance with the method of accounting for determining Capital Accounts under Section 704(b) of the Code, and excluding any items specially allocated under Article VI of this Agreement.

"**New Common Securities**" has the meaning set forth in Section 9.01(b)(ii).

"**New Interests**" has the meaning set forth in Section 3.07.

"**New Preferred Securities**" has the meaning set forth in Section 9.01(b)(i).

"**New Securities**" has the meaning set forth in Section 9.01(b)(iii).

"**Non-Exercising Member**" has the meaning set forth in Section 9.01(e).

"**Observer**" has the meaning set forth in Section 8.12(a).

"**Officers**" has the meaning set forth in Section 8.10.

"**Over-allotment Exercise Period**" has the meaning set forth in Section 9.01(e).

"**Over-allotment Notice**" has the meaning set forth in Section 9.01(e).

"**Permitted Transfer**" means a Transfer of Common Units carried out pursuant to Section 10.02.

"**Permitted Transferee**" means a recipient of a Permitted Transfer.

"**Person**" means an individual, corporation, partnership, joint venture, limited liability company, Governmental Authority, unincorporated organization, trust, association or other entity.

"**Pre-emptive Member**" has the meaning set forth in Section 9.01(a).

"**Preferred Managers**" has the meaning set forth in Section 8.02(a)(ii).

"**Preferred Original Issue Date**" has the meaning set forth in Section 3.04(c)(iv).

"**Preferred Pro Rata Portion**" means with respect to any Pre-emptive Member holding Preferred Units or Common Units, on any issuance date for New Preferred Securities, a fraction determined by dividing (i) the number of Preferred Units and Common Units on a Fully Diluted Basis owned by such Pre-emptive Member immediately prior to such issuance by (ii) the total number of Preferred Units and Common Units on a Fully Diluted Basis held by the Members on such date immediately prior to such issuance.

"**Preferred Units**" means the Units having the privileges, preference, duties, liabilities, obligations and rights specified with respect to "Preferred Units" in this Agreement.

"**Prior Agreement**" has the meaning set forth in the Recitals.

"**Prospective Purchaser**" has the meaning set forth in Section 9.01(c).

"**Public Offering**" means any underwritten public offering pursuant to a registration statement filed in accordance with the Securities Act.

"**Qualified Member**" has the meaning set forth in Section 12.01.

"**Quarterly Estimated Tax Amount**" of a Member for any calendar quarter of a Fiscal Year means the excess, if any of (i) the product of (a) a quarter (¼) in the case of the first calendar quarter of the Fiscal Year, half (½) in the case of the second calendar quarter of the Fiscal Year, three-quarters (¾) in the case of the third calendar quarter of the Fiscal Year, and

one (1) in the case of the fourth calendar quarter of the Fiscal Year and (b) the Member's Estimated Tax Amount for such Fiscal Year over (ii) all Distributions previously made during such Fiscal Year to such Member.

"**Real Estate Preferred Units**" means the Units having the privileges, preference, duties, liabilities, obligations and rights specified with respect to "Real Estate Preferred Units" in this Agreement.

"**Representative**" means, with respect to any Person, any and all directors, officers, employees, consultants, financial advisors, counsel, accountants and other agents of such Person.

"**Requisite Managers**" means at least three (3) Managers including at least one (1) Preferred Manager.

"**Restricted Period**" has the meaning set forth in Section 11.02(d).

"**Securities Act**" means the Securities Act of 1933, as amended, or any successor federal statute, and the rules and regulations thereunder, which shall be in effect at the time.

"**Series Seed Preferred Units**" means the Units having the privileges, preference, duties, liabilities, obligations and rights specified with respect to "Series Seed Preferred Units" in this Agreement.

"**Series Seed+ Preferred Units**" means the Units having the privileges, preference, duties, liabilities, obligations and rights specified with respect to "Series Seed+ Preferred Units" in this Agreement.

"**Service Provider**" means Managers, Officers, employees, consultants or other service providers of the Company or any Company Subsidiary.

"**Significant Interest**" means, with respect to an interest in an entity, an interest of at least thirty-seven and one-half percent (37.5%) of the equity of such entity held by an individual or such individual's Family Member(s), individually or as a beneficial interest.

"**Subsidiary**" means, with respect to any Person, any other Person of which a majority of the outstanding shares or other equity interests having the power to vote for directors or comparable managers are owned, directly or indirectly, by the first Person.

"**Target Capital Account"** means the balance in the Capital Account maintained for each Member as of the end of each Fiscal Year, increased by any amount that such Member is obligated to restore under this Agreement, is treated as obligated to restore under Treasury Regulations Section 1.704-1(b)(2)(ii)(c), or is deemed obligated to restore under the penultimate sentences of Treasury Regulations Section 1.704-2(g)(1) and (i)(5).

"**Tax Amount**" of a Member for a Fiscal Year means the product of (a) the Tax Rate for such Fiscal Year and (b) the Adjusted Taxable Income of the Member for such Fiscal Year with respect to its Units.

"**Tax Rate**" of a Member, for any period, means the highest marginal blended federal, state and local tax rate applicable to ordinary income, qualified dividend income or capital gains,

as appropriate, for such period for an individual residing in New York, New York, taking into account for federal income tax purposes, the deductibility of state and local taxes and any applicable limitations on such deductions.

"**Tax Representative**" has the meaning set forth in Section 12.04(a).

"**Taxing Authority**" has the meaning set forth in Section 7.04(c).

"**Third Party Purchaser**" means any Person who, immediately prior to the contemplated transaction, (a) does not directly or indirectly own or have the right to acquire any outstanding Preferred Units or Common Units (or applicable Unit Equivalents) or (b) is not a Permitted Transferee of any Person who directly or indirectly owns or has the right to acquire any Preferred Units or Common Units (or applicable Unit Equivalents).

"**Transfer**" means to, directly or indirectly, sell, transfer, assign, pledge, encumber, hypothecate or similarly dispose of, either voluntarily or involuntarily, by operation of law or otherwise, or to enter into any contract, option or other arrangement or understanding with respect to the sale, transfer, assignment, pledge, encumbrance, hypothecation or similar disposition of, any Units owned by a Person or any interest (including a beneficial interest) in any Units or Unit Equivalents owned by a Person. "**Transfer**" when used as a noun shall have a correlative meaning. "**Transferor**" and "**Transferee**" mean a Person who makes or receives a Transfer, respectively.

"**Unit**" means a unit representing a fractional part of the Membership Interests of the Members and shall include all types and classes of Units, including the Preferred Units and the Common Units; provided, that any type or class of Unit shall have the privileges, preference, duties, liabilities, obligations and rights set forth in this Agreement and the Membership Interests represented by such type or class or series of Unit shall be determined in accordance with such privileges, preference, duties, liabilities, obligations and rights.

"**Unit Equivalents**" means any security or obligation that is by its terms, directly or indirectly, convertible into, exchangeable or exercisable for Units, and any option, warrant or other right to subscribe for, purchase or acquire Units.

"**Unpaid Yield**" means, with respect to any Real Estate Preferred Unit at any time, the amount equal to the excess, if any, of fifty percent (50%) of the Initial Cost of such Real Estate Preferred Unit minus the aggregate amount of all Distributions made by the Company in respect of such Real Estate Preferred Unit pursuant to Section 7.02(b) as of such time.

"**Voting Unitholders**" means all holders of the Voting Units.

"**Voting Units**" means the Preferred Units and the Common Units. Except as otherwise provided in this Agreement, with respect to any reference in this Agreement to any number or percentage of Voting Units, such number or percentage shall be calculated on an as-converted into Common Unit basis such that, with respect to any matter on which the Voting Unitholders are entitled to vote hereunder or pursuant to the Act, as of any date of determination, each holder of Preferred Units shall be entitled to one vote for each Common Unit into which its Preferred Units are then convertible as of such date of determination.

"**Waiving Member**" means all Members who are not Managers or the Managing Member.

"**Withholding Advances**" has the meaning set forth in Section 7.04(c).

Section 1.02 Interpretation. For purposes of this Agreement, (a) the words "include," "includes" and "including" shall be deemed to be followed by the words "without limitation"; (b) the word "or" is not exclusive; and (c) the words "herein," "hereof," "hereby," "hereto" and "hereunder" refer to this Agreement as a whole. The definitions given for any defined terms in this Agreement shall apply equally to both the singular and plural forms of the terms defined. Whenever the context may require, any pronoun shall include the corresponding masculine, feminine and neuter forms. Unless the context otherwise requires, references herein: (i) to Articles, Sections, and Exhibits mean the Articles and Sections of, and Exhibits attached to, this Agreement; (ii) to an agreement, instrument or other document means such agreement, instrument or other document as amended, supplemented and modified from time to time to the extent permitted by the provisions thereof and (iii) to a statute means such statute as amended from time to time and includes any successor legislation thereto and any regulations promulgated thereunder. This Agreement shall be construed without regard to any presumption or rule requiring construction or interpretation against the party drafting an instrument or causing any instrument to be drafted. The Exhibits referred to herein shall be construed with, and as an integral part of, this Agreement to the same extent as if they were set forth verbatim herein.

ARTICLE II
ORGANIZATION

Section 2.01 Formation

(a) The Company was formed on May 15, 2018 upon the filing of the Certificate of Formation with the Secretary of State of the State of Delaware. The Prior Agreement was entered into by Company on November 3, 2020. This Agreement amends, restates and supersedes the Prior Agreement in its entirety.

(b) This Agreement shall constitute the "limited liability company agreement" of the Company. The rights, powers, duties, obligations and liabilities of the Members shall be determined pursuant to this Agreement.

Section 2.02 Name. The name of the Company is "Ascend Wellness Holdings, LLC" or such other name or names as the Board may from time to time designate; provided, that the name shall always contain the words "Limited Liability Company" or the abbreviation "L.L.C." or the designation "LLC".

Section 2.03 Principal Office. The principal office of the Company is located at 16 Brook Street, Natick, Massachusetts 01760, or such other place as may from time to time be determined by the Board. The Board shall give prompt notice of any such change to each of the Members.

Section 2.04 Registered Office; Registered Agent

(a) The registered office of the Company shall be the office of the initial registered agent named in the Certificate of Formation or such other office (which need not be a place of business of the Company) as the Board may designate from time to time in the manner provided by Applicable Law.

(b) The registered agent for service of process on the Company in the State of Delaware shall be the initial registered agent named in the Certificate of Formation or such other Person or Persons as the Board may designate from time to time in the manner provided by Applicable Law.

Section 2.05 Purpose; Powers

(a) The purpose of the Company is to engage in any lawful act or activity for which limited liability companies may be formed and to engage in any and all activities necessary or incidental thereto.

(b) The Company shall have all the powers necessary or convenient to carry out the purposes for which it is formed.

Section 2.06 Term. The term of the Company commenced on the date the Certificate of Formation was filed with the Secretary of State of the State of Delaware and shall continue in existence perpetually until the Company is dissolved in accordance with the provisions of this Agreement.

Section 2.07 No State-Law Partnership. The Members intend that for federal and, if applicable, state and local income tax purposes, and, to the extent permissible, the Company (i) shall have been treated as a partnership for such purposes at all times prior to the Corporate Election Effective Date and (ii) shall elect to be treated as an association taxable as a C-corporation for such purposes at all times on and after the Corporate Election Effective Date. The Company and each Member shall file all tax returns and shall otherwise take all tax and financial reporting positions in a manner consistent with such treatment and no Member shall take any action inconsistent with such treatment. Notwithstanding the foregoing, any Subsidiary whose operations consist of trafficking in controlled substances pursuant to Section 280E of the Code shall be wholly owned by a Subsidiary of the Company that is taxed as a C-corporation. The Members intend that the Company shall not be a partnership (including, without limitation, a limited partnership) or joint venture, and that no Member, Manager or Officer of the Company shall be a partner or joint venture of any other Member, Manager, or Officer of the Company, for any purposes other than as set forth in the first sentence of this Section 2.07.

ARTICLE III
UNITS

Section 3.01 Units Generally. The Membership Interests of the Members shall be represented by issued and outstanding Units, which may be divided into one or more types, classes or series. Each type, class or series of Units shall have the privileges, preference, duties, liabilities, obligations and rights, including voting rights, if any, set forth in this Agreement with

respect to such type, class or series. The Board shall maintain a schedule of all Members, their respective mailing addresses and the amount and series of Units held by them (the "**Members Schedule**") and shall update the Members Schedule upon the issuance or Transfer of any Units to any new or existing Member. A copy of the Members Schedule as of the execution of this Agreement is attached hereto as Schedule A.

Section 3.02 Authorization and Issuance of Preferred Units. Subject to compliance with Section 9.01 and Section 10.01(b), the Company is hereby authorized to issue three classes of Preferred Units designated as Real Estate Preferred Units, Series Seed Preferred Units and Series Seed+ Preferred Units, respectively. As of the date hereof, the number of Real Estate Preferred Units, Series Seed Preferred Units and Series Seed+ Preferred Units issued and outstanding to the Members are set forth opposite each Member's name on the Members Schedule. References to Preferred Units in this Agreement shall be deemed to refer to Real Estate Preferred Units, Series Seed Preferred Units and Series Seed+ Preferred Units together as one class.

Section 3.03 Authorization and Issuance of Common Units. Subject to compliance with Section 9.01 and Section 10.01(b), the Company is hereby authorized to issue a class of Units designated as Common Units. As of the date hereof, the number of Common Units issued and outstanding to the Members are set forth opposite each Member's name on the Members Schedule. As of the date hereof, no other Common Units are issued and outstanding.

Section 3.04 Optional Conversion. The holders of the Preferred Units shall have conversion rights (the "**Conversion Rights**") as follows:

(a) **Right to Convert** Each Preferred Unit shall be convertible, at the option of the holder thereof, at any time and from time to time, and without the payment of additional consideration by the holder thereof, into fully paid and non-assessable Common Units. Initially, each one (1) Preferred Unit shall be convertible for one (1) Common Unit (the "**Conversion Rate**"). The Conversion Rate applicable to each Preferred Unit (i.e. the number of such Preferred Units necessary to convert into one (1) Common Unit) shall be subject to adjustment as provided in this Section 3.04 and in Section 3.05 below. Any such applicable adjustment to the Conversion Rate shall be determined on a Unit-by-Unit basis, and therefore different Conversion Rates may apply to Preferred Units of different series, or of the same series if such Preferred Units of the same series had a different Initial Cost.

(b) **Termination of Conversion Rights.** Subject to Section 3.05(c)(i) in the case of a Contingency Event (defined below) herein, in the event of a liquidation, dissolution, or winding up of the Company or a Change of Control, the Conversion Rights will terminate at the close of business on the last full day preceding the date fixed for the first payment of any funds and assets distributable on such event to the holders of Preferred Units, provided, however, that the Conversion Rights will not terminate upon a Change of Control if so determined by the Requisite Managers.

(c) **Mechanics of Conversion**

(i) **Notice of Conversion**. In order for a holder of Preferred Units to voluntarily convert Preferred Units into Common Units, such holder shall (a) provide written notice to the Company that such holder elects to convert all or any number of such holder's Preferred Units and, if applicable, any event on which such conversion is contingent (a "**Contingency Event**") and (b), if such holder's Preferred Units are certificated, surrender the certificate or certificates for such Preferred Units (or, if such holder alleges that such certificate has been lost, stolen or destroyed, a lost certificate affidavit and agreement reasonably acceptable to the Company to indemnify the Company against any claim that may be made against the Company on account of the alleged loss, theft or destruction of such certificate), at the principal office of the Company. Such notice shall state such holder's name or the names of the Permitted Transferees in which such holder wishes the Common Units to be issued. If required by the Company, any certificates surrendered for conversion shall be endorsed or accompanied by a written instrument or instruments of transfer, in form satisfactory to the Company, duly executed by the holder or his, her or its attorney duly authorized in writing. The close of business on the date of receipt by the Company of such notice and, if applicable, certificates (or lost certificate affidavit and agreement) shall be the time of conversion (the "**Conversion Time**"), and the Common Units issuable upon conversion of the specified Units shall be deemed to be outstanding of record as of such date.

(ii) **Effect of Conversion**. All Preferred Units which shall have been surrendered for conversion as herein provided shall no longer be deemed outstanding and all rights with respect to such Preferred Units shall immediate cease and terminate at the Conversion Time, except only for the right of the holders thereof to receive Common Units in exchange thereof.

(iii) **Taxes**. The Company shall pay any and all issue and other similar taxes that may be payable in respect of any issuance or delivery of Common Units upon conversion of Preferred Units pursuant to this Section 3.04. The Company shall not, however, be required to pay any tax which may be payable in respect of any transfer involved in the issuance and delivery of Common Units in a name other than that in which the Preferred Units so converted were registered, and no such issuance or delivery shall be made unless and until the person or entity requesting such issuance has paid to the Company the amount of any such tax or has established, to the satisfaction of the Company, that such tax has been paid.

(iv) **Adjustment for Unit Splits or Combinations**. If the Company shall at any time or from time to time after any applicable original issue date for any series of Preferred Units (each such date, a "**Preferred Original Issue Date**") effect a subdivision or combination of the outstanding Common Units, the Conversion Rate for such series of Preferred Units in effect immediately before that subdivision shall be proportionately adjusted so that the number of Common

Units issuable on conversion of each Preferred Unit of such series shall be increased or decreased in proportion to such increase or decrease in the aggregate number of Common Units outstanding. Any adjustment under this subsection shall become effective at the close of business on the date the subdivision or combination becomes effective.

(v) **Adjustment for Certain Dividends and Distributions**. In the event the Company at any time or from time to time after any applicable Preferred Original Issue Date shall make or issue, or fix a record date for the determination of holders of Common Units entitled to receive, a dividend or other distribution payable on the Common Units in additional Common Units, then and in each such event the Conversion Rate for such series of Preferred Units in effect immediately before such event shall be proportionately adjusted so that the number of Common Units issuable on conversion of each Preferred Unit of such series shall be increased in proportion to such increase in the aggregate number of Common Units outstanding, as of the close of business of such record date. Notwithstanding the foregoing (a) if such record date shall have been fixed and such dividend is not fully paid or if such distribution is not fully made on the date fixed therefor, the Conversion Rate then in effect for the applicable series of Preferred Units shall be recomputed accordingly as of the close of business on such record date and thereafter such Conversion Rate shall be adjusted pursuant to this subsection as of the time of actual payment of such dividends or distributions; and (b) no such adjustment shall be made if the holders of Preferred Units simultaneously receive a dividend or other distribution of Common Units in a number equal to the number of Common Units as they would have received if all outstanding Preferred Units had been converted into Common Units on the date of such event.

Section 3.05 Adjustment to Conversion Rate for Diluting Issues

(a) No adjustment in the Conversion Rate for Preferred Units shall be made as a result of the issuance or deemed issuance of Additional Common Units if the Company receives written notice from the Members holding at least 66.66% of the Preferred Units agreeing that no such adjustment shall be made as a result of the issuance or deemed issuance of such Additional Common Units.

(b) In the event the Company shall at any time after any Preferred Original Issue Date issue Additional Common Units (including Additional Common Units deemed to be issued pursuant to Section 3.06), without consideration or for a consideration per Additional Common Unit less than the Initial Cost of any Preferred Unit held by a Member (each as applicable, "**Diluted Units**"), then the Conversion Rate applicable to such Diluted Units (and only to such Diluted Units) shall be adjusted, concurrently with such issue, to a ratio determined in accordance with the following formula:

$$CP2 = CP1^* ((A + B) \div (A + C))$$

For purposes of the foregoing formula, the following definitions shall apply:

(i) "CP2" shall mean the number of Diluted Units necessary to convert into one (1) Common Unit immediately after such issue of Additional Common Units, which ratio shall be the Conversion Rate applicable to the Diluted Units subsequent to the issuance of the Additional Common Units;

(ii) "CP1" shall mean the number of Diluted Units necessary to convert into one (1) Common Unit pursuant to the Conversion Rate in effect immediately prior to such issue of Additional Common Units;

(iii) "A" shall mean the number of Common Units outstanding immediately prior to such issue of Additional Common Units (treating for this purpose as outstanding all Common Units issuable upon conversion or exchange of Convertible Securities (including the Preferred Units) outstanding immediately prior to such issue);

(iv) "B" shall mean the number of Common Units that would have been issued if such Additional Common Units had been issued at a price per share equal to the Initial Cost of the applicable Diluted Units (determined by dividing the aggregate consideration received by the Company in respect of such issue by the Initial Cost of the applicable Diluted Units); and

(v) "C" shall mean the number of such Additional Common Units issued in such transaction.

(c) **Determination of Consideration.** For the purposes of this Section 3.05, the consideration received by the Company for the issue of any Additional Common Units shall be computed as follows:

(i) **Cash and Property**. Such consideration shall:

(1) insofar as it consists of cash, be computed at the aggregate amount of cash received by the Company, excluding amounts paid or payable for accrued interest;

(2) insofar as it consists of property other than cash, be computed at the fair market value thereof at the time of such issue, as determined in good faith by the Board; and

(3) in the event Additional Common Units are issued together with other securities or other assets of the Company for consideration which covers both, be the proportion of such consideration so received, computed as provided in clauses (1) and (2) above, as determined in good faith by the Board.

(ii) **Convertible Securities**. The consideration per Unit received by the Company for Additional Common Units deemed to have been issued pursuant to Section 3.06, relating to Convertible Securities, shall be determined by

dividing: (i) The total amount, if any, received or receivable by the Company as consideration for the issue of such Convertible Securities, plus the minimum aggregate amount of additional consideration (as set forth in the instruments relating thereto, without regard to any provision contained therein for a subsequent adjustment of such consideration) payable to the Company upon the conversion or exchange of such Convertible Securities, by (ii) the maximum number of Common Units (as set forth in the instruments relating thereto, without regard to any provision contained therein for a subsequent adjustment of such number) issuable upon the conversion or exchange of such Convertible Securities.

(d) **Multiple Closing Dates.** In the event the Company shall issue on more than one date Additional Common Units that are a part of one transaction or a series of related transactions and that would result in an adjustment to the Conversion Rate applicable to any Preferred Units pursuant to the terms of Section 3.06(b), and such issuance dates occur within a period of no more than ninety (90) days from the first such issuance to the final such issuance, then, upon the final such issuance, such Conversion Rate shall be readjusted to give effect to all such issuances as if they occurred on the date of the first such issuance (and without giving effect to any additional adjustments as a result of any such subsequent issuances within such period).

Section 3.06 Deemed Issue of Additional Common Units

(a) If the Company at any time, or from time to time, after the Preferred Original Issue Date shall issue Convertible Securities (excluding Convertible Securities which are themselves Exempted Securities) or shall fix a record date for the determination of holders of any class of securities entitled to receive any such Convertible Securities, then the maximum number of Common Units (as set forth in the instrument relating thereto, assuming the satisfaction of any conditions to exercisability, convertibility or exchangeability, but without regard to any provision contained therein for a subsequent adjustment of such number) issuable upon the exercise of such Convertible Securities, the conversion or exchange of such Convertible Securities, shall be deemed to be Additional Common Units issued as of the time of such issue or, in case such a record date shall have been fixed, as of the close of business on such record date.

(b) If the terms of any Convertible Security, the issuance of which resulted in an adjustment to the Conversion Rate applicable to any Preferred Units pursuant to the terms of Section 3.05(b), are revised as a result of an amendment to such terms or any other adjustment pursuant to the provisions of such Convertible Security (but excluding automatic adjustments to such terms pursuant to anti-dilution or similar provisions of such Convertible Security) to provide for either (1) any increase or decrease in the number of Common Units issuable upon the exercise, conversion and/or exchange of any such Convertible Security or (2) any increase or decrease in the consideration payable to the Company upon such exercise, conversion and/or exchange, then, effective upon such increase or decrease becoming effective, such Conversion Rate computed upon the original issue of Convertible Security (or upon the occurrence of a record date with respect thereto) shall be readjusted to such Conversion Rate as would have obtained had

such revised terms been in effect upon the original date of issuance of such Convertible Security. Notwithstanding the foregoing, no readjustment pursuant to this clause (b) shall have the effect of increasing the Conversion Rate applicable to any Preferred Units to an amount which exceeds the lower of (i) the Conversion Rate applicable to such Preferred Units in effect immediately prior to the original adjustment made as a result of the issuance of such Convertible Security, or (ii) the Conversion Rate that would have resulted from any issuances of Additional Common Units (other than deemed issuances of Additional Common Units as a result of the issuance of such Convertible Security) between the original adjustment date and such readjustment date.

(c) If the terms of any Convertible Security (excluding Convertible Securities which are themselves Exempted Securities), the issuance of which did not result in an adjustment to any applicable Conversion Rate pursuant to the terms of Section 3.05(b) (either because the consideration per share (determined pursuant to Section 3.05(c)) of the Additional Common Units subject thereto was equal to or greater than the Conversion Rate applicable to any Preferred Units then in effect, or because such Convertible Security was issued before the Preferred Original Issue Date), are revised after the Preferred Original Issue Date as a result of an amendment to such terms or any other adjustment pursuant to the provisions of such Convertible Security (but excluding automatic adjustments to such terms pursuant to anti- dilution or similar provisions of such Convertible Security) to provide for either (1) any increase in the number of Common Units issuable upon the exercise, conversion or exchange of any such Convertible Security or (2) any decrease in the consideration payable to the Company upon such exercise, conversion or exchange, then such Convertible Security, as so amended or adjusted, and the Additional Common Units subject thereto (determined in the manner provided in Section 3.06) shall be deemed to have been issued effective upon such increase or decrease becoming effective.

(d) Upon the expiration or termination of any unconverted or unexchanged Convertible Security (or portion thereof) which resulted (either upon its original issuance or upon a revision of its terms) in an adjustment to any applicable Conversion Rate pursuant to the terms of Section 3.05(b), such Conversion Rate shall be readjusted to such Conversion Rate as would have obtained had such Convertible Security (or portion thereof) never been issued.

(e) If the number of Common Units issuable upon the exercise, conversion and/or exchange of any Convertible Security, or the consideration payable to the Company upon such exercise, conversion and/or exchange, is calculable at the time such Convertible Security is issued or amended but is subject to adjustment based upon subsequent events, any adjustment to any applicable Conversion Rate provided for in this Section 3.06 shall be effected at the time of such issuance or amendment based on such number of Units or amount of consideration without regard to any provisions for subsequent adjustments (and any subsequent adjustments shall be treated as provided in this Section 3.06). If the number of Common Units issuable upon the exercise, conversion and/or exchange of any Convertible Security, or the consideration payable to the Company upon such exercise, conversion and/or exchange, cannot be calculated at all

at the time such Convertible Security is issued or amended, any adjustment to any applicable Conversion Rate that would result under the terms of this Section 3.06 at the time of such issuance or amendment shall instead be effected at the time such number of Units and/or amount of consideration is first calculable (even if subject to subsequent adjustments), assuming for purposes of calculating such adjustment to the Conversion Rate that such issuance or amendment took place at the time such calculation can first be made.

Section 3.07 Other Issuances. In addition to the Preferred Units and Common Units, the Company is hereby authorized, subject to compliance with Section 8.02(c), Section 9.01 and Section 10.01(b), to authorize and issue or sell to any Person any of the following (collectively, "**New Interests**"): (i) any new type, class or series of Units not otherwise described in this Agreement, which Units may be designated as classes or series of the Preferred Units or Common Units but having different rights; and (ii) Unit Equivalents. The Board is hereby authorized, subject to Section 15.09, to amend this Agreement to reflect such issuance and to fix the relative privileges, preference, duties, liabilities, obligations and rights of any such New Interests, including the number of such New Interests to be issued, the preference (with respect to Distributions, in liquidation or otherwise) over any other Units and any contributions required in connection therewith.

Section 3.08 Certification of Units

(a) The Board in its sole discretion may, but shall not be required to, issue certificates to the Members representing the Units held by such Member.

(b) In the event that the Board shall issue certificates representing Units in accordance with Section 3.08(a), then in addition to any other legend required by Applicable Law, all certificates representing issued and outstanding Units shall bear a legend substantially in the following form:

THE UNITS REPRESENTED BY THIS CERTIFICATE ARE SUBJECT TO A FIFTH AMENDED AND RESTATED LIMITED LIABILITY COMPANY AGREEMENT AMONG THE COMPANY AND ITS MEMBERS, A COPY OF WHICH IS ON FILE AT THE PRINCIPAL EXECUTIVE OFFICE OF THE COMPANY, AND MAY BE AMENDED OR RESTATED FROM TIME TO TIME. NO TRANSFER, SALE, ASSIGNMENT, PLEDGE, HYPOTHECATION OR OTHER DISPOSITION OF THE UNITS REPRESENTED BY THIS CERTIFICATE MAY BE MADE EXCEPT IN ACCORDANCE WITH THE PROVISIONS OF SUCH FIFTH AMENDED AND RESTATED LIMITED LIABILITY COMPANY AGREEMENT, AS AMENDED.

THE UNITS REPRESENTED BY THIS CERTIFICATE HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR UNDER ANY OTHER APPLICABLE SECURITIES LAWS AND MAY NOT BE TRANSFERRED, SOLD, ASSIGNED, PLEDGED, HYPOTHECATED OR OTHERWISE DISPOSED EXCEPT (A) PURSUANT TO A REGISTRATION STATEMENT EFFECTIVE UNDER SUCH ACT AND LAWS, OR (B) PURSUANT TO AN EXEMPTION FROM REGISTRATION.

ARTICLE IV
MEMBERS

Section 4.01 Admission of New Members

(a) New Members may be admitted from time to time (i) in connection with an issuance of Units by the Company, subject to compliance with the provisions of Section 8.02(c), Section 9.01 and Section 10.01(b), as applicable, and (ii) in connection with a Transfer of Units, subject to compliance with the provisions of Article X and in either case, following compliance with the provisions of Section 4.01.

(b) In order for any Person not already a Member of the Company to be admitted as a Member, whether pursuant to an issuance or Transfer of Units, such Person shall have executed and delivered to the Company a written undertaking substantially in the form of the Joinder Agreement. Upon the amendment of the Members Schedule by the Board and the satisfaction of any other applicable conditions, including, if a condition, the receipt by the Company of payment for the issuance of the applicable Units, such Person shall be admitted as a Member and deemed listed as such on the books and records of the Company and thereupon shall be issued his, her or its Units.

Section 4.02 Representations and Warranties of Members. By execution and delivery of this Agreement or a Joinder Agreement, as applicable, each of the Members, whether admitted as of the date hereof or pursuant to Section 4.01, represents and warrants to the Company and acknowledges that:

(a) The Units have not been registered under the Securities Act or the securities laws of any other jurisdiction, are issued in reliance upon federal and state exemptions for transactions not involving a Public Offering and cannot be disposed of unless (i) they are subsequently registered or exempted from registration under the Securities Act and (ii) the provisions of this Agreement have been complied with;

(b) Such Member is an "accredited investor" within the meaning of Rule 501 promulgated under the Securities Act, as amended by Section 413(a) of the Dodd-Frank Wall Street Reform and Consumer Protection Act, and agrees that it will not take any action that could have an adverse effect on the availability of the exemption from registration provided by Rule 501 promulgated under the Securities Act with respect to the offer and sale of the Units;

(c) Such Member's Units are being acquired for its own account solely for investment and not with a view to resale or distribution thereof;

(d) Such Member has conducted its own independent review and analysis of the business, operations, assets, liabilities, results of operations, financial condition and prospects of the Company and the Company Subsidiaries and such Member acknowledges that it has been provided adequate access to the personnel, properties, premises and records of the Company and the Company Subsidiaries for such purpose;

(e) The determination of such Member to acquire Units has been made by such Member independent of any other Member and independent of any statements or opinions as to the advisability of such purchase or as to the business, operations, assets, liabilities, results of operations, financial condition and prospects of the Company and the Company Subsidiaries that may have been made or given by any other Member or by any agent or employee of any other Member;

(f) Such Member has such knowledge and experience in financial and business matters and is capable of evaluating the merits and risks of an investment in the Company and making an informed decision with respect thereto;

(g) Such Member is able to bear the economic and financial risk of an investment in the Company for an indefinite period of time;

(h) The execution, delivery and performance of this Agreement have been duly authorized by such Member and do not require such Member to obtain any consent or approval that has not been obtained and do not contravene or result in a default in any material respect under any provision of any law or regulation applicable to such Member or other governing documents or any agreement or instrument to which such Member is a party or by which such Member is bound;

(i) This Agreement is valid, binding and enforceable against such Member in accordance with its terms, except as may be limited by bankruptcy, insolvency, reorganization, moratorium, and other similar laws of general applicability relating to or affecting creditors' rights or general equity principles (regardless of whether considered at law or in equity); and

(j) Neither the issuance of any Units to any Member nor any provision contained herein will entitle the Member to remain in the employment of the Company or any Company Subsidiary or affect the right of the Company or any Company Subsidiary to terminate the Member's employment at any time for any reason, other than as otherwise provided in such Member's employment agreement or other similar agreement with the Company or Company Subsidiary, if applicable.

(k) None of the foregoing shall replace, diminish or otherwise adversely affect any Member's representations and warranties made by it in any Unit Purchase Agreement or Award Agreement, as applicable.

Section 4.03 No Personal Liability. By Applicable Law or expressly in this Agreement, no Member will be obligated personally for any debt, obligation or liability of the Company or of any Company Subsidiaries or other Members, whether arising in contract, tort or otherwise, solely by reason of being a Member.

Section 4.04 No Withdrawal. A Member shall not cease to be a Member as a result of the Bankruptcy of such Member. So long as a Member continues to hold any Units, such Member shall not have the ability to withdraw or resign as a Member prior to the dissolution and winding up of the Company and any such withdrawal or resignation or attempted withdrawal or resignation by a Member prior to the dissolution or winding up of the Company shall be null and

void. As soon as any Person who is a Member ceases to hold any Units, such Person shall no longer be a Member; provided, however, that this Agreement shall continue to apply with respect to any Units that have been called in accordance with any Award Agreement until full payment is made therefor in accordance with the terms of such Award Agreement.

Section 4.05 Death. The death of any Member shall not cause the dissolution of the Company. In such event the Company and its business shall be continued by the remaining Member or Members and the Units owned by the deceased Member shall automatically be Transferred in accordance with such Member's will, revocable or irrevocable trust, instructions of the Probate court, or under the laws of intestacy, whichever of the forgoing is applicable; provided, that within a reasonable time after such Transfer, the applicable persons receiving such deceased Member's Units shall sign a written undertaking substantially in the form of the Joinder Agreement.

Section 4.06 No Management by Members; Actions by Members. No Member, solely in his or its capacity as a Member, shall take part in the day-to-day management, operation or control of the business and affairs of the Company, or have any right, power or authority to act for or on behalf of or to bind the Company or transact any business in the name of the Company. No Member, solely in his or its capacity as a Member, shall have any rights other than those specifically provided herein or granted by law where consistent with a valid provision of this Agreement. This Section 4.06 shall not be interpreted to imply voting rights of a particular class of Units and voting rights shall only arise based upon the express provisions therefor applicable to a class of Units under this Agreement. Reference to Members and the procedures set forth hereunder for meetings and action of Members shall apply only to the particular class having an express right to vote as a Member on the matter in question.

Section 4.07 Voting.

(a) Except as otherwise provided by this Agreement (including Section 15.09) or as otherwise required by Applicable Law, the Voting Unitholders shall be entitled to one vote per Common Unit held by each such Voting Unitholder (calculated on an as-converted into Common Unit basis) for all matters pursuant to which such Voting Unitholder shall have voting rights as provided by this Agreement or required by the Act. For the avoidance of doubt, as of any date of determination, each Voting Unitholder holding Preferred Units shall, pursuant to the foregoing sentence, be entitled to one vote for each Common Unit into which its Preferred Units are then convertible as of such date of determination. Except as specifically provided in this Agreement, any other Company Membership Interests other than the Voting Units shall not entitle their holders to vote for any Company purposes, except to the extent required by the Act.

Section 4.08 Meetings.

(a) Meetings. Meetings of the Members, for any purpose or purposes, may be called by the Chief Executive Officer or, in his absence, the President, or by any Member or Members owning at least 20% of the total of all Voting Units.

(b) Place of Meetings. The Members may designate any place, either within or outside the State of Delaware, as the place of meeting for any meeting of the Members. If no designation is made, or if a special meeting is otherwise called, the place of meeting shall be the principal offices of the Company in the Commonwealth of Massachusetts.

(c) Notice. Written notice stating the place, date and time of the meeting and, in the case of a meeting of the Members not regularly scheduled, describing the purposes for which the meeting is called, shall be delivered not fewer than ten (10) days and not more than thirty (30) days before the date of the meeting (in accordance with the notice provisions hereof), by or at the direction of the Chief Executive Officer, President, Board or Member or Members owning at least 20% of the total of all Voting Units calling the meeting, to each Member entitled to vote at such meeting. When any notice is required to be given to any Member, a waiver thereof in writing signed by the Person entitled to such notice, whether before, at or after the time stated therein, shall be equivalent to the giving of such notice. Notwithstanding the foregoing provisions of this Section 4.08(c) if all the Members shall meet at any time and place, either within or outside the State of Delaware, and consent to the holding of a meeting at such time and place, such meeting shall be valid without call or notice, and at such meeting lawful action may be taken.

Section 4.09 Quorum. Members owning at least fifty percent (50%) of the Voting Units entitled to vote or consent on the matter, represented in person or by proxy, shall constitute a quorum at any meeting of the Members (collectively or by class, as the case may be). In the absence of a quorum at any such meeting, a majority of the Membership Interest so represented may adjourn the meeting from time to time for a period not to exceed thirty (30) days, or if after the adjournment of a new record date is fixed for the adjourned meeting, a notice of the adjourned meeting shall be given to each Member of record entitled to vote at the meeting. At such adjourned meeting at which a quorum shall be present or represented, any business may be transacted which might have been transacted at the meeting as originally noticed. The Members present at a duly organized meeting may continue to transact business until adjournment, notwithstanding the withdrawal during such meeting of that number of Units of Members whose absence would cause less than a quorum.

Section 4.10 Manner of Acting. If a quorum is present at a meeting, the affirmative vote of the Members who, in the aggregate, own more than fifty percent (50%) of the particular class or classes of Voting Units entitled to vote on or consent to the matter in accordance with this Section 4.10 (collectively or by class, as the case may be) shall be the act of the Members on the matter, unless the vote of a greater or lesser proportion or number is otherwise expressly required by the Certificate of Formation, this Agreement or Applicable Law. Unless otherwise expressly provided herein or required under any Applicable Law, only Members having a Voting Unit may vote or consent upon any matter which comes before the Members and in any event only if and to the extent such Member holds Voting Units of the class entitled to vote on the matter, and their vote or consent, as the case may be, shall be counted in the determination of whether the matter was approved by the Members entitled to vote on or consent to the matter. Unless otherwise expressly provided in this Agreement or required under any Applicable Law, all holders of Voting Units shall vote together as a single class (on an as-converted to Common Unit basis).

Section 4.11 Proxies. At all meetings of Members, a Member may vote in person or by proxy executed in writing by the Member or by a duly authorized attorney-in-fact. Such proxy shall be filed with the Secretary of the Company before or at the time of the meeting. No proxy shall be valid after eleven (11) months from the date of its execution, unless otherwise provided in the proxy. Every proxy shall be revocable at the pleasure of the Person executing it, or by his personal representatives or assigns, except in those cases where an irrevocable proxy is permitted by statute.

Section 4.12 Action Without Meeting. Action required or permitted to be taken at a meeting of Members (collectively or by class, as the case may be) may be taken without a meeting without prior notice and without a vote, if a consent in writing setting forth the action so taken, shall be signed by not less than the holders of a minimum number of votes necessary to approve such action at a meeting of the Members.

Section 4.13 Attendance by Telephone. Members may participate in any meeting of Members through the use of a conference telephone, video conference or similar communications equipment by means of which all persons participating in the meeting can hear each other, and such participation in the meeting shall constitute presence in person at such meeting.

Section 4.14 Power of Members. The Members shall have the power to exercise any and all rights or powers granted to Members pursuant to the express terms of this Agreement. Except as otherwise specifically provided by this Agreement, no Member, in its capacity as a Member, shall have the power to act for or on behalf of, or to bind, the Company.

Section 4.15 No Interest in Company Property. No real or personal property of the Company shall be deemed to be owned by any Member individually, but shall be owned by, and title shall be vested solely in, the Company. Without limiting the foregoing, each Member hereby irrevocably waives during the term of the Company any right that such Member may have to maintain any action for partition with respect to the property of the Company.

Section 4.16 Automatic Divestiture. If, during anytime while the Company or any Subsidiary holds a local or state license pursuant to a Cannabis Code, any of the following occur to a Member or to a member or shareholder of an entity that is a Member of Company, subject to Section 4.17 below all interests of that Member in the Company (the "**Affected Member**") will automatically and immediately terminate, and the Affected Member will cease to be a Member:

(a) The Affected Member is charged with or convicted of any criminal offense, if a conviction of the offense in question would, pursuant to a Cannabis Code, disqualify the Affected Member from owning a marijuana business. However, where an Affected Member is only charged with a criminal offense and not convicted, and where the Cannabis Regulatory Body and local licensing authorities are subject to a stay order, then the Affected Member's Units shall not be subject to divestiture under this Section 4.16;

(b) The Affected Member or any entity that it owns or controls incurs a revocation of any marijuana business license, and it is determined by the Board that such

revocation has a material adverse effect upon the issuance or continued good standing of the Company's marijuana business license;

(c) A Cannabis Regulatory Body or local licensing authority issues a formal recommendation stating that the Affected Member is unfit to have an ownership or economic interest in a marijuana business;

(d) A Cannabis Regulatory Body or local licensing authority issues a formal recommendation against the issuance to the Company of a marijuana business license or revokes a marijuana business license, which recommendation cites the participation of the Affected Member as a material factor in the decision, or a Cannabis Regulatory Body or local licensing authority conditions the issuance of a marijuana business license on the Company removing the Affected Member in the Company.

(e) A Cannabis Regulatory Body or local licensing authority advises the Company or any Subsidiary in writing, or it is otherwise determined by court order, that a decision on the Company's or any Subsidiary's marijuana business license is being delayed beyond one (1) year following the filing of the Company's or any Subsidiary's application for a marijuana business license, and the Company or any Subsidiary is advised before or after said date that the sole reason for such delay is the participation of or concerns about the Affected Member.

(f) The Affected Member demonstrates a repeated failure to attend meetings with a Cannabis Regulatory Body or any local licensing authority as may be required for the Company or any Subsidiary business to be conducted. As used herein, repeated failure to attend shall be demonstrated by failure to attend any meeting without good cause, or any two (2) meeting with any licensing authority.

(g) The Affected Member fails to provide information to the Cannabis Regulatory Body which is requested by or required by a Cannabis Regulatory Body.

(h) If the Affected Member is a partnership or other business entity and not a natural person, a member of the Affected Member is disqualified from obtaining an ownership interest in a licensed marijuana business by final written determination of a Cannabis Regulatory Body, unless such member is divested from the Affected Member in a timely manner.

Section 4.17 Right to Transfer. In addition to the rights provided to an Affected Member in Section 4.18(a) below and subject to the provisions of Section 10.01, prior to the automatic divestiture described above for a period of twenty-one (21) days after a Member becomes an Affected Member such Affected Member shall have the right to Transfer its Units to an individual or entity that would not, upon such Transfer, be an Affected Member.

Section 4.18 Settling of Accounts Following Automatic Divestiture.

(a) The Company shall continue in existence notwithstanding the automatic termination of any Member pursuant to Section 4.16 above. Notwithstanding any provision of this Agreement to the contrary, if the Affected Member is a corporate entity

and the occurrence of any of the events enumerated in Section 4.16 above is due to a member, shareholder or manager of the Affected Member, the Affected Member shall have an option to redeem its Units within 90 days of such divestiture and shall be restored to its ownership position before the divestiture events occur if the Board, a court of law, or a Cannabis Regulatory Body provides a written assurance or order that Affected Member has removed the member, shareholder or manager that caused any of the events enumerated in Section 4.16 above, pursuant to the terms of the Affected Member's governing documents.

(b) Provided that there is no Transfer of the Affected Member's Units pursuant to Section 4.17 above and the Affected Member's Units are cancelled pursuant to Section 4.16 above, the Company shall be liable for the terminated ownership interest of the Affected Member as follows: the Company shall deliver a note (the "**Payoff Note**") to the Affected Member for 100% of the Fair Market Value determined by the Board based on the implied value of the Company pursuant to the most recent financing round, unless it is reasonably determined by the Board, that there has been (x) a material negative impact on the valuation of the Company since the most recent financing round or (y) the most recent financing round was completed more than 12 months prior to the date the Board has notice of the event resulting in a member becoming an Affected Member, in which case the fair market value of the terminated ownership interest shall be determined as follows: (i) The Company and the Affected Member shall determine the fair market value of the Affected Member's Units by a mutually-agreed upon third party appraisal; (ii) If the Affected Member and the Company cannot agree on a third party appraisal, they shall both individually choose and pay for their own appraisal and provided that the two valuations of the Affected Member's Units are within ten (10%) percent of each other, the differences shall be averaged and used for calculating the Payoff Note, and (iii) if the differences of the two valuations are greater than ten (10%) percent of each other, a third party appraisal to determine the fair market value of the terminated ownership interest shall be done by an appraiser appointed by the American Arbitration Association sitting in Boston Massachusetts upon application therefor by the Company. The determination of any third party appraisal conducted in accordance with the preceding sentence shall be final and binding on the Company and the Affected Member, and the costs of such third party appraisal, except as set forth in sub-clause (ii) in the immediately preceding sentence, shall be shared equally by the Company and the Affected Member. The Payoff Note shall be payable over a three (3) year period and shall bear interest at the Company Interest Rate or shall be discounted (using the same rate) to present value if an earlier payoff is required under the Cannabis Code. The terms of the Payoff Note shall include equal monthly payments and shall be reasonable and customary for a transaction of this type. The Company may sell the Affected Member's Units, in accordance with the terms of this Agreement, to finance the Payoff Note or for any other lawful reason.

ARTICLE V
CAPITAL CONTRIBUTIONS; CAPITAL ACCOUNTS

Section 5.01 Initial Capital Contributions. Each Member owning Preferred Units or Common Units has made Capital Contributions and is deemed to own the number, type, series and class of Units, in each case, in the amounts set forth opposite such Member's name on the Members Schedule as in effect on the date hereof.

Section 5.02 Additional Capital Contributions.

(a) No Member shall be required to make any additional Capital Contributions to the Company. Any future Capital Contributions made by any Member shall only be made with the consent of the Board and in connection with an issuance of Units made in compliance with Section 9.01.

(b) No Member shall be required to lend any funds to the Company and no Member shall have any personal liability for the payment or repayment of any Capital Contribution by or to any other Member.

Section 5.03 Maintenance of Capital Accounts. The Company shall establish and maintain for each Member a separate capital account (a "**Capital Account**") on its books and records in accordance with this Section 5.03. Each Capital Account shall be established and maintained in accordance with the following provisions:

(a) Each Member's Capital Account shall be increased by the amount of:

(i) such Member's Capital Contributions, including such Member's initial Capital Contribution;

(ii) any Net Income or other item of income or gain allocated to such Member pursuant to Article VI and

(iii) any liabilities of the Company that are assumed by such Member or secured by any property Distributed to such Member.

(b) Each Member's Capital Account shall be decreased by:

(i) the cash amount or Book Value of any property Distributed to such Member pursuant to Article VII and Section 13.03(c);

(ii) the amount of any Net Loss or other item of loss or deduction allocated to such Member pursuant to Article VI and

(iii) the amount of any liabilities of such Member assumed by the Company or which are secured by any property contributed by such Member to the Company.

Section 5.04 Succession Upon Transfer. In the event that any Units are Transferred in accordance with the terms of this Agreement, the Transferee shall succeed to the Capital Account of the Transferor to the extent it relates to the Transferred Units and, subject to Section 6.04,

shall receive allocations and Distributions pursuant to Article VI, Article VII and Article VIII in respect of such Units.

Section 5.05 Negative Capital Accounts. In the event that any Member shall have a deficit balance in his, her or its Capital Account, such Member shall have no obligation, during the term of the Company or upon dissolution or liquidation thereof, to restore such negative balance or make any Capital Contributions to the Company by reason thereof, except as may be required by Applicable Law or in respect of any negative balance resulting from a withdrawal of capital or dissolution in contravention of this Agreement.

Section 5.06 No Withdrawal. No Member shall be entitled to withdraw any part of his, her or its Capital Account or to receive any Distribution from the Company, except as provided in this Agreement. No Member shall receive any interest, salary or drawing with respect to its Capital Contributions or its Capital Account, except as otherwise provided in this Agreement. The Capital Accounts are maintained for the sole purpose of allocating items of income, gain, loss and deduction among the Members and shall have no effect on the amount of any Distributions to any Members, in liquidation or otherwise.

Section 5.07 Treatment of Loans from Members. Loans by any Member to the Company shall not be considered Capital Contributions and shall not affect the maintenance of such Member's Capital Account, other than to the extent provided in Section 5.03(a)(iii), if applicable.

Section 5.08 Modifications. The foregoing provisions and the other provisions of this Agreement relating to the maintenance of Capital Accounts are intended to comply with Section 1.704-1(b) of the Treasury Regulations and shall be interpreted and applied in a manner consistent with such Treasury Regulations. If the Board determines that it is prudent to modify the manner in which the Capital Accounts, or any increases or decreases to the Capital Accounts, are computed in order to comply with such Treasury Regulations, the Board may authorize such modifications.

ARTICLE VI
ALLOCATIONS

Section 6.01 Allocation of Net Income and Net Loss. For each Fiscal Year (or portion thereof) ending prior to the Corporate Election Effective Date, except as otherwise provided in this Agreement, Net Income and Net Loss (and, to the extent necessary, individual items of income, gain, loss or deduction) of the Company shall be allocated among the Members in a manner such that, after giving effect to the special allocations set forth in Section 6.02, the Target Capital Account balance of each Member, immediately after making such allocations, is, as nearly as possible, equal to (a) the Distributions that would be made to such Member pursuant to Section 13.03(c) if the Company were dissolved, its affairs wound up and its assets sold for cash equal to their Book Value, all Company liabilities were satisfied (limited with respect to each Nonrecourse Liability to the Book Value of the assets securing such liability), and the net assets of the Company were Distributed, in accordance with Section 13.03(c).

Section 6.02 Regulatory and Special Allocations. Notwithstanding the provisions of Article VII, and for each Fiscal Year (or portion thereof) ending prior to the Corporate Election Effective Date:

(a) If there is a net decrease in Company Minimum Gain (determined according to Treasury Regulations Section 1.704-2(d)(1)) during any Fiscal Year, each Member shall be specially allocated Net Income for such Fiscal Year (and, if necessary, subsequent Fiscal Years) in an amount equal to such Member's share of the net decrease in Company Minimum Gain, determined in accordance with Treasury Regulations Section 1.704-2(g). The items to be so allocated shall be determined in accordance with Treasury Regulations Sections 1.704-2(f)(6) and 1.704-2(j)(2). This Section 6.02(a) is intended to comply with the "minimum gain chargeback" requirement in Treasury Regulation Section 1.704-2(f) and shall be interpreted consistently therewith.

(b) Member Nonrecourse Deductions shall be allocated in the manner required by Treasury Regulations Section 1.704-2(i). Except as otherwise provided in Treasury Regulations Section 1.704-2(i)(4), if there is a net decrease in Member Nonrecourse Debt Minimum Gain during any Fiscal Year, each Member that has a share of such Member Minimum Gain shall be specially allocated Net Income for such Fiscal Year (and, if necessary, subsequent Fiscal Years) in an amount equal to that Member's share of the net decrease in Member Nonrecourse Debt Minimum Gain. Items to be allocated pursuant to this paragraph shall be determined in accordance with Treasury Regulations Sections 1.704-2(i)(4) and 1.704-2(j)(2). This Section 6.02(b) is intended to comply with the "minimum gain chargeback" requirements in Treasury Regulations Section 1.704-2(i)(4) and shall be interpreted consistently therewith.

(c) In the event any Member unexpectedly receives any adjustments, allocations or Distributions described in Treasury Regulations Section 1.704- 1(b)(2)(ii)(d)(4), (5) or (6), Net Income shall be specially allocated to such Member in an amount and manner sufficient to eliminate the Adjusted Capital Account deficit created by such adjustments, allocations or Distributions as quickly as possible. This Section 6.02(c) is intended to comply with the qualified income offset requirement in Treasury Regulations Section 1.704-1(b)(2)(ii)(d) and shall be interpreted consistently therewith.

(d) In the event an allocation of Net Loss would cause or increase an Adjusted Capital Account deficit of a Member in a manner that cannot have "substantial economic effect" for federal income tax purposes, as determined in the reasonable judgment of the Board, such Net Loss will, unless otherwise determined by the Board, be allocated among all Members in proportion to their Unit holdings.

(e) The allocations set forth in paragraphs (a), (b), and (c) above (the "**Regulatory Allocations**") are intended to comply with certain requirements of the Treasury Regulations under Code Section 704. Notwithstanding any other provisions of this Article VI (other than the Regulatory Allocations), the Regulatory Allocations shall be taken into account in allocating Net Income and Net Losses among Members so that, to the extent possible, the net amount of such allocations of Net Income and Net Losses and other items and the Regulatory Allocations to each Member shall be equal to the net

amount that would have been allocated to such Member if the Regulatory Allocations had not occurred.

(f) The Company and the Members acknowledge that allocations like those described in Proposed Treasury Regulation Section 1.704-1(b)(4)(xii)(c) ("**Forfeiture Allocations**") result from the allocations of Net Income and Net Loss provided for in this Agreement. For the avoidance of doubt, the Company is entitled to make Forfeiture Allocations and, once required by applicable final or temporary guidance, allocations of Net Income and Net Loss will be made in accordance with Proposed Treasury Regulation Section 1.704-1(b)(4)(xii)(c) or any successor provision or guidance.

Section 6.03 Tax Allocations. For each Fiscal Year (or portion thereof) ending prior to the Corporate Election Effective Date:

(a) Subject to Section 6.03(b) through Section 6.03(e), all income, gains, losses and deductions of the Company shall be allocated, for federal, state and local income tax purposes, among the Members in accordance with the allocation of such income, gains, losses and deductions among the Members for computing their Capital Accounts, except that if any such allocation for tax purposes is not permitted by the Code or other Applicable Law, the Company's subsequent income, gains, losses and deductions shall be allocated among the Members for tax purposes, to the extent permitted by the Code and other Applicable Law, so as to reflect as nearly as possible the allocation set forth herein in computing their Capital Accounts.

(b) Items of Company taxable income, gain, loss and deduction with respect to any property contributed to the capital of the Company shall be allocated among the Members in accordance with Code Section 704(c) and the traditional method of Treasury Regulations Section 1.704-3(b), so as to take account of any variation between the adjusted basis of such property to the Company for federal income tax purposes and its Book Value.

(c) If the Book Value of any Company asset is adjusted pursuant to Treasury Regulation Section 1.704-1(b)(2)(iv)(f) as provided in clause (c) of the definition of Book Value, subsequent allocations of items of taxable income, gain, loss and deduction with respect to such asset shall take account of any variation between the adjusted basis of such asset for federal income tax purposes and its Book Value in the same manner as under Code Section 704(c).

(d) Allocations of tax credit, tax credit recapture and any items related thereto shall be allocated to the Members according to their interests in such items as determined by the Board taking into account the principles of Treasury Regulations Section 1.704- 1(b)(4)(ii).

(e) The Company shall make allocations pursuant to this Section 6.03 in accordance with the traditional method in accordance with Treasury Regulations Section 1.704-3(b).

(f) Allocations pursuant to this Section 6.03 are solely for purposes of federal, state and local taxes and shall not affect, or in any way be taken into account in computing, any Member's Capital Account or share of Net Income, Net Losses, Distributions or other items pursuant to any provisions of this Agreement.

Section 6.04 Allocations in Respect of Transferred Units. In the event of a Transfer of Units during any Fiscal Year ending prior to the Corporate Election Effective Date made in compliance with the provisions of Article X Net Income, Net Losses and other items of income, gain, loss and deduction of the Company attributable to such Units for such Fiscal Year shall be determined using the interim closing of the books method.

Section 6.05 Curative Allocations. In the event that the Tax Representative determines, after consultation with counsel experienced in income tax matters, that the allocation of any item of Company income, gain, loss or deduction for any Fiscal Year (or portion thereof) ending prior to the Corporate Election Effective Date is not specified in this Article VI (an "**Unallocated Item**"), or that the allocation of any item of Company income, gain, loss or deduction hereunder is clearly inconsistent with the Members' economic interests in the Company (determined by reference to the general principles of Treasury Regulations Section 1.704-1(b) and the factors set forth in Treasury Regulations Section 1.704-1(b)(3)(ii)) (a "**Misallocated Item**"), then the Board may allocate such Unallocated Items, or reallocate such Misallocated Items, to reflect such economic interests; provided, that no such allocation will be made without the prior consent of each Member that would be adversely and disproportionately affected thereby; and provided, further, that no such allocation shall have any material effect on the amounts distributable to any Member, including the amounts to be distributed upon the complete liquidation of the Company.

ARTICLE VII
DISTRIBUTIONS

Section 7.01 General.

(a) Subject to Section 7.01(b), Section 7.02 and Section 7.04, the Board shall have sole discretion regarding the amounts and timing of Distributions to Members, including to decide to forego payment of Distributions in order to provide for the retention and establishment of reserves of, or payment to third parties of, such funds as it deems necessary with respect to the reasonable business needs of the Company (which needs may include the payment or the making of provision for the payment when due of the Company's obligations, including, but not limited to, present and anticipated debts and obligations, capital needs and expenses, the payment of any management or administrative fees and expenses, and reasonable reserves for contingencies).

(b) Notwithstanding any provision to the contrary contained in this Agreement, the Company shall not make any Distribution to Members if such Distribution would violate Applicable Law.

Section 7.02 Priority of Distributions. After making all Distributions required for a given Fiscal Year under Section 7.04 and subject to the priority of Distributions pursuant to

Section 13.03(c) if applicable, all Distributions determined to be made by the Board pursuant to Section 7.01 shall be made as follows:

(a) First, to the Members holding Preferred Units in proportion to and up to the amounts necessary for each Member to have received cumulative Distributions under this Section 7.02(a) equal to each of such Members' Capital Contribution attributable to such Preferred Units;

(b) Second, to the Members holding Real Estate Preferred Units in proportion to and up to such Member's Unpaid Yield in respect of such Real Estate Preferred Units; and

(c) Third, any remaining amounts to the Members holding Common Units and Real Estate Preferred Units (calculated on an as-converted to Common Units basis) pro rata in proportion to their aggregate holdings of Common Units, with the holders of Real Estate Preferred Units being treated for the purposes of this Section 7.02(c) as if such Members had converted their Real Estate Preferred Units to Common Units pursuant to Section 3.04(a).

Provided, that, notwithstanding the foregoing, in the case of a Distribution described in Section 7.02(c) (including a liquidating distribution pursuant to Section 13.03) with respect to Common Units which were acquired upon conversion of Series Seed Preferred Units or Series Seed+ Preferred Units, such distribution shall be reduced, dollar-for-dollar, by the Distributions described in Section 7.02(a), if any, received with respect to such Series Seed Preferred Units or Series Seed+ Preferred Units, as applicable, and *provided, further*, Distributions shall be made with respect to Series Seed Preferred Units and Series Seed+ Preferred Units pursuant to Section 7.02(c), without the need for formal conversion, equal to the greater of: (x) distributions with respect to such Series Seed Preferred Units or Series Seed+ Preferred Units under Section 7.02(a) or (y) distributions that would have been made with respect to such Series Seed Preferred Units or Series Seed+ Preferred Units had all such Units been converted to Common Units immediately prior to such liquidation or capital transaction, which, for the avoidance of doubt, shall include the application of the preceding proviso.

Section 7.03 Tax Advances. For taxable periods ending prior to the Corporate Election Effective Date:

(a) Subject to any restrictions in any of the Company's and/or any Company Subsidiary's then applicable debt-financing arrangements, and subject to the Board's sole discretion to retain any other amounts necessary to satisfy the Company's and/or the Company Subsidiaries' obligations, at least five (5) days before each date prescribed by the Code for an individual to pay quarterly installments of estimated tax, the Company shall use commercially reasonable efforts to Distribute cash to each Member in proportion to and to the extent of such Member's Quarterly Estimated Tax Amount for the applicable calendar quarter (each such Distribution, a "**Tax Advance**").

(b) If, at any time after the final Quarterly Estimated Tax Amount has been Distributed pursuant to Section 7.03(a) with respect to any Fiscal Year, the aggregate Tax Advances to any Member with respect to such Fiscal Year are less than such Member's Tax Amount for such Fiscal Year (a "**Shortfall Amount**"), the Company shall use commercially reasonable efforts to Distribute cash in proportion to and to the extent of each Member's Shortfall Amount. The Company shall use commercially reasonable efforts to Distribute Shortfall Amounts with respect to a Fiscal Year before the 75th day of the next succeeding Fiscal Year; provided, that if the Company has made Distributions other than pursuant to this Section 7.03, the Board may apply such Distributions to reduce any Shortfall Amount.

(c) If the aggregate Tax Advances made to any Member pursuant to this Section 7.03 for any Fiscal Year exceed such Member's Tax Amount (an "**Excess Amount**"), such Excess Amount shall reduce subsequent Tax Advances that would be made to such Member pursuant to this Section 7.03, except to the extent taken into account as an advance pursuant to Section 7.03(d) to reduce subsequent Distributions.

(d) Any Distributions made pursuant to this Section 7.03 shall be treated for purposes of this Agreement as advances on Distributions pursuant to Section 7.02 and shall reduce, dollar-for-dollar, the amount otherwise Distributable to such Member pursuant to Section 7.02.

Section 7.04 Tax Withholding; Withholding Advances.

(a) Tax Withholding. If requested by the Board, each Member shall, if able to do so, deliver to the Board:

(i) an affidavit in form satisfactory to the Board that the applicable Member (or its members, as the case may be) is not subject to withholding under the provisions of any federal, state, local, foreign or other Applicable Law;

(ii) any certificate that the Board may reasonably request with respect to any such laws; and/or

(iii) any other form or instrument reasonably requested by the Board relating to any Member's status under such law.

(b) If a Member fails or is unable to deliver to the Board the affidavit described in Section 7.04(a)(i), the Board may withhold amounts from such Member in accordance with Section 7.04(c).

(c) Withholding Advances. The Company is hereby authorized at all times to make payments ("**Withholding Advances**") with respect to each Member in amounts required to discharge any obligation of the Company (as determined by the Tax Representative based on the advice of legal or tax counsel to the Company) to withhold or make payments to any federal, state, local or foreign taxing authority (a "**Taxing Authority**") with respect to any Distribution or (prior to the Corporate Election Effective Date) allocation by the Company of income or gain to such Member and to withhold the

same from Distributions to such Member. Any funds withheld from a Distribution by reason of this Section 7.04(c) shall nonetheless be deemed Distributed to the Member in question for all purposes under this Agreement.

(d) Repayment of Withholding Advances. Any Withholding Advance made by the Company to a Taxing Authority on behalf of a Member and not simultaneously withheld from a Distribution to that Member shall, with interest thereon accruing from the date of payment at the Company Interest Rate:

(i) be promptly repaid to the Company by the Member on whose behalf the Withholding Advance was made; or

(ii) with the consent of the Board, be repaid by reducing the amount of the next succeeding Distribution or Distributions to be made to such Member.

Interest shall cease to accrue from the time the Member on whose behalf the Withholding Advance was made repays such Withholding Advance (and all accrued interest) by either method of repayment described above.

(e) Indemnification. Each Member hereby agrees to indemnify and hold harmless the Company and the other Members from and against any liability with respect to taxes, interest or penalties which may be asserted by reason of the Company's failure to deduct and withhold tax on amounts Distributable or (prior to the Corporate Election Effective Date) allocable to such Member. The provisions of this Section 7.04(e) and the obligations of a Member pursuant to Section 7.04(c) shall survive the termination, dissolution, liquidation and winding up of the Company and the withdrawal of such Member from the Company or Transfer of its Units. The Company may pursue and enforce all rights and remedies it may have against each Member under this Section 7.04, including bringing a lawsuit to collect repayment with interest of any Withholding Advances.

(f) Overwithholding. Neither the Company nor the Board shall be liable for any excess taxes withheld in respect of any Distribution or (prior to the Corporate Election Effective Date) allocation of income or gain to a Member. In the event of an overwithholding, a Member's sole recourse shall be to apply for a refund from the appropriate Taxing Authority.

Section 7.05 Distributions in Kind.

(a) The Board is hereby authorized, in its sole discretion, to make Distributions to the Members in the form of securities or other property held by the Company. In any non-cash Distribution, the securities or property so Distributed will be Distributed among the Members in the same proportion and priority as cash equal to the Fair Market Value of such securities or property would be Distributed among the Members pursuant to Section 7.02.

(b) Any Distribution of securities shall be subject to such conditions and restrictions as the Board determines are required or advisable to ensure compliance with

Applicable Law. In furtherance of the foregoing, the Board may require that the Members execute and deliver such documents as the Board may deem necessary or appropriate to ensure compliance with all federal and state securities laws that apply to such Distribution and any further Transfer of the Distributed securities and may appropriately legend the certificates that represent such securities to reflect any restriction on Transfer with respect to such laws.

ARTICLE VIII
MANAGEMENT

Section 8.01 Management and Control of Company Business.

(a) For so long as Abner Kurtin remains in control (having the same meaning as used in the definition of Affiliate herein) of AGP Partners, LLC and holds a Significant Interest in AGP Partners, AGP Partners, LLC shall be and is hereby appointed the Managing Member (the "**Managing Member**") of the Company and shall have, subject to the limitations herein full, exclusive and complete discretion, power and authority to manage and control the business and affairs of the Company, to make all decisions affecting the business and affairs of the Company, and to take such actions as it deems necessary or appropriate to accomplish the purposes of the Company. The Managing Member shall use reasonable efforts to carry out the purposes of the Company and shall devote to the management of the business and affairs of the Company such time as the Managing Member, in its good faith judgment, shall deem to be reasonably required for the operation thereof. The foregoing notwithstanding, the Managing Member shall not make any Materials Decisions (as defined in Section 8.02(c)) without the approval of the Requisite Managers. At such time that Abner Kurtin no longer controls AGP Partners, LLC or no longer has a Significant Interest in AGP Partners, LLC, the duties, powers, and authority of the Managing Member shall be assumed by the Board.

(b) A board of managers of the Company (the "**Board**") is hereby established and shall be comprised of natural Persons (each such Person, a "**Manager**") who shall be appointed in accordance with the provisions of this Agreement. Each Manager of the Company shall be subject to the provisions of this Agreement whether or not such Manager has executed a counterpart hereof or been joined hereto**.**

(c) Except as otherwise expressly set forth in this Agreement, the Members, in their capacity as Members, shall not have any authority, right or power to bind the Company, or to manage or control, or to participate in the management or control of, the business and affairs of the Company in any manner whatsoever. Such management shall in every respect be the full and complete responsibility of the Managers alone as provided in this Agreement.

(d) Any approval, decision, action, consent, agreement, determination, or authorization that is required or permitted to be made by the Managers hereunder shall require the approval by an affirmative vote of a majority of the Managers then in office.

The foregoing notwithstanding, all Material Decisions shall require the approval of the Requisite Managers.

Section 8.02 Board of Managers.

(a) The Company and the Members shall take such actions as may be required to ensure that the number of managers constituting the Board is at all times five (5). A Manager (and/or any successor or replacement) may, but shall not be required to, be a Member of the Company. The Managers will be appointed or elected in the following manner:

(i) AGP Partners, LLC shall have the right to appoint three (3) Managers (the "**Common Managers**") and to remove and replace such Common Managers from time to time, who shall initially be Abner Kurtin, Scott Swid and Frank Perullo. Each Common Manager then in office shall be entitled to cast one (1) vote, provided, however, that Abner Kurtin, for so long as he is a Manager, or, in the event that Abner Kurtin is no longer a Manager, AGP Partners, LLC's designee shall be entitled to cast a tie-breaking Board vote in the event of a deadlock.

(ii) The holders of a majority of the Preferred Units, shall have the right to appoint two (2) Managers (the "**Preferred Managers**"), and to remove and replace such Preferred Managers from time to time, by the affirmative vote or consent of a majority of the Preferred Units, which Preferred Managers shall initially be Chris Leavy and Emily Paxhia. Each Preferred Manager then in office shall be entitled to cast one (1) vote.

Notwithstanding the foregoing, at such time that AGP Partners, LLC is no longer the Managing Member, all of the Managers shall be appointed by the Members voting as a single class, and such Members shall have the right to remove and replace such Managers from time to time.

(b) The Board shall maintain a schedule of all Managers with their respective mailing addresses, and shall update the schedule upon the removal or replacement of any Manager in accordance with this Section 8.02 or Section 8.03.

(c) The following is a list of material decisions ("**Material Decisions**") that shall require an affirmative vote of the Requisite Managers:

(i) a merger, consolidation, conversion or other similar transaction involving the Company or any of the Company Subsidiaries;

(ii) the sale, lease or conveyance of all or substantially all of the assets of the Company and the Company Subsidiaries on a consolidated basis;

(iii) any material acquisition by the Company or any Company Subsidiary, or any agreement to engage in such material acquisition or the

acquisition by the Company or any Company Subsidiary of an ownership interest in any Person;

(iv) the creation of Subsidiaries, or entering into a joint venture, partnership or limited liability company agreement by the Company or any of its Subsidiaries;

(v) any agreement or series of related agreements of the Company or any of its Subsidiaries for compensation and/or benefits of any Manager, Managing Member, Officer, or other executive of the Company or any other agreement for compensation and/or benefits with a total annual cost to the Company of at least $100,000;

(vi) any action that results in a liquidation or dissolution of the Company or any wholly-owned Company Subsidiary;

(vii) any transaction between the Company or a Subsidiary and any Affiliate of the Company or its Subsidiary, excluding transactions between the Company and wholly-owned Company Subsidiaries, provided, however, that in the event of such transaction whereby a conflict of interest exists with respect to any Requisite Managers of the Company, then such transaction shall require the consent of a majority of the outstanding Common Units, Real Estate Preferred Units, Series Seed Preferred Units and Series Seed+ Preferred Units of the Company voting as separate classes;

(viii) issuance of additional Units or the creation of new classes of Units by the Company or a Subsidiary;

(ix) increasing the size of the Board;

(x) confessing any judgment against the Company or a Subsidiary or consenting to a receiver of the assets of the Company or a Subsidiary; or

(xi) incur any indebtedness, pledge, or grant liens on any assets, or guarantee, assume, endorse, or otherwise become responsible for the obligations of any other Person in excess of $100,000 in a single transaction or series of related transactions, or in excess of $200,000 in the aggregate at any time outstanding by the Company or a Subsidiary.

Section 8.03 Removal; Resignation; Vacancies.

(a) At a meeting called expressly for that purpose, any Manager may be removed at any time, with or without cause, in accordance with Section 8.02(a) hereof.

(b) A Manager of the Company may resign at any time by giving written notice to the Members of the Company. The resignation of any Manager shall take effect thirty (30) days after receipt of notice thereof or at such later date specified in such notice; and, unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective. Subject to any forfeiture requirements contained in

any agreement between the Manager and the Company, the resignation of a Manager who is also a Member shall not affect the Manager's rights as a Member and shall not constitute its withdrawal as a Member.

(c) Any vacancy occurring for any reason in the office of the Managers of the Company shall be filled by action of the class, classes or series of Members that were entitled to appoint such Manager pursuant to the provisions of Section 8.02(a) herein. If such vacancy remains unfilled after thirty (30) days from the day such vacancy occurred, such vacancy may be filled by action of the Managers then in office, but the right and power of Members to appoint, remove and replace Managers pursuant to the provision of Section 8.02(a) shall not be affected thereby. Any Manager's position to be filled by reason of an increase in the number of Managers above five (5) Managers shall be filled by the election at a meeting of Members called for that purpose or by action pursuant to a written consent of Members, in each case in accordance with the vote or consent prescribed by Section 8.02(a) hereof for the appointment of a Preferred Manager. A Manager elected to fill a vacancy shall hold office until his or her successor shall be elected and qualified or until his or her earlier death, resignation or removal. A Manager elected to fill a position resulting from an increase in the number of Managers above five (5) Managers shall hold office until his or her successor shall be elected and qualified, or until his or her earlier death, resignation or removal.

Section 8.04 Meetings.

(a) Generally. The Board shall meet at such time and at such place as the Board may designate. Meetings of the Board may be held either in person or by means of telephone or video conference or other communications device that permits all Managers participating in the meeting to hear each other, at the offices of the Company or such other place (either within or outside the State of Delaware) as may be determined from time to time by the Board. Written notice of each meeting of the Board shall be given to each Manager at least twenty-four (24) hours prior to each such meeting.

(b) Special Meetings. Special meetings of the Board shall be held on the call of any three Managers upon at least five days' written notice (if the meeting is to be held in person) or one day's written notice (if the meeting is to be held by telephone communications or video conference) to the Managers, or upon such shorter notice as may be approved by all the Managers. Any Manager may waive such notice as to himself.

(c) Attendance and Waiver of Notice. Attendance of a Manager at any meeting shall constitute a waiver of notice of such meeting, except where a Manager attends a meeting for the express purpose of objecting to the transaction of any business on the ground that the meeting is not lawfully called or convened. Neither the business to be transacted at, nor the purpose of, any regular or special meeting of the Board need be specified in the notice or waiver of notice of such meeting.

Section 8.05 Quorum; Manner of Acting.

(a) Quorum. A majority of the Managers serving on the Board shall constitute a quorum for the transaction of business of the Board. At all times when the Board is conducting business at a meeting of the Board, a quorum of the Board must be present at such meeting, provided, however, that if a Manager fails to attend two consecutive meetings of the Board, such Manager shall be disregarded for the purposes of establishing a quorum at the next meeting after the second failure to attend. If a quorum shall not be present at any meeting of the Board, then the Managers present at the meeting may adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum shall be present.

(b) Participation. Any Manager may participate in a meeting of the Board by means of telephone or video conference or other communications device that permits all Managers participating in the meeting to hear each other, and participation in a meeting by such means shall constitute presence in person at such meeting. A Manager may vote or be present at a meeting either in person or by proxy, and such proxy may be granted in writing, by means of Electronic Transmission or as otherwise permitted by Applicable Law.

(c) Binding Act. Each Manager shall have one vote on all matters submitted to the Board or any committee thereof, except as otherwise provided for in Section 8.02(a)(i). With respect to any matter before the Board except for Material Decisions, the act of a majority of the Managers constituting a quorum shall be the act of the Board.

Section 8.06 Action by Written Consent. Notwithstanding anything herein to the contrary, any action of the Board (or any committee of the Board) may be taken without a meeting if either (a) (i) for any action of a committee, a written consent of the Managers on the committee required to approve such action at a meeting shall approve such action except for a Material Decision which shall require the consent of the Requisite Managers, or (ii) for any action of the Board, the written consent of the Requisite Managers shall approve such action; provided, that prior written notice of such action is provided to all Managers at least one day before such action is taken, or (b) a written consent constituting all of the Managers on the Board (or committee) shall approve such action. Such consent shall have the same force and effect as a vote at a meeting where a quorum was present and may be stated as such in any document or instrument filed with the Secretary of State of Delaware.

Section 8.07 Compensation; No Employment.

(a) Each Manager shall be reimbursed for his reasonable out-of-pocket expenses incurred in the performance of his duties as a Manager, pursuant to such policies as from time to time established by the Board. Nothing contained in this Section 8.07 shall be construed to preclude any Manager from serving the Company in any other capacity and receiving reasonable compensation for such services.

(b) This Agreement does not, and is not intended to, confer upon any Manager any rights with respect to continued employment by the Company, and nothing herein should be construed to have created any employment agreement with any Manager.

Section 8.08 Committees. The Board may, by resolution, designate from among the Managers one or more committees, each of which shall be comprised of one or more Managers; provided, that in no event may the Board designate any committee with all of the authority of the Board nor designate the committee to make a Material Decision unless the committee is comprised of the Requisite Managers. Subject to the immediately preceding proviso, any such committee, to the extent provided in the resolution forming such committee, shall have and may exercise the authority of the Board, pursuant to such authorization, purposes and authorized acts of such committee as explicitly designated by the Board. The Board may dissolve any committee or remove any member of a committee at any time.

Section 8.09 Business with Affiliates. The Company and Company Subsidiaries may transact business with any Member or any Person related to a Member or a Manager with respect to the assets or business of the Company, provided (i) that for Members holding Preferred Units, a written agreement relating to such transaction has already been executed by the Company or Company Subsidiary, as applicable, and such applicable Member, or their respective Affiliates, prior to the adoption of this Agreement as of the date hereof or (ii) that (a) any such transaction shall be effected only on terms competitive with those that may be obtained in the marketplace from unaffiliated Persons and the terms governing such relationship are terms which would be entered into an arms-length transaction and (b) any such transaction is approved unanimously by the Preferred Managers.

Section 8.10 Officers. The Board may appoint individuals as officers of the Company (the "**Officers**") as it deems necessary or desirable to carry on the business of the Company and the Board may delegate to such Officers such power and authority as the Board deems advisable. Any individual may hold two or more offices of the Company. Each Officer shall hold office until his successor is designated by the Board or until his earlier death, resignation or removal. Any Officer may resign at any time upon written notice to the Board. Any Officer may be removed by the Board (acting by majority vote of all Managers other than the Officer being considered for removal, if applicable) with or without cause at any time. A vacancy in any office occurring because of death, resignation, removal or otherwise, may, but need not, be filled by the Board.

Section 8.11 No Personal Liability. By Applicable Law or expressly in this Agreement, no Manager will be obligated personally for any debt, obligation or liability of the Company or of any Company Subsidiaries, whether arising in contract, tort or otherwise, solely by reason of being a Manager.

Section 8.12 Observation Rights.

(a) Each Member or Member Group holding at least five percent (5%) of the outstanding equity interest in the Company shall have the right to appoint a representative (the "**Observer**") to attend all meetings (including telephonic or videoconference meetings) of the Board and any committees in a non-voting, observer capacity. The

Observer may participate fully in discussions of all matters brought to the Board or committee, as the case may be, for consideration, but in no event shall the Observer (i) be deemed to be a member of the Board or any committee, (ii) have or be deemed to have, or otherwise be subject to, any duties (fiduciary or otherwise) to the Company or the Members or (iii) have the right to propose or offer any motions or resolutions to the Board or committees. Notwithstanding the foregoing, the Observer shall be subject to the obligations of Section 11.01 as if such Observer were a Member. Upon request, the Company shall allow the Observer to attend Board or committee meetings by telephone or electronic communication. The presence of the Observer shall not be required for purposes of establishing a quorum.

(b) The Company shall provide to the Observer copies of all notices, minutes, consents and other materials that it provides to Board members, including any draft versions, proposed written consents, and exhibits and annexes to any such materials, at the same time and in the same manner as such information is delivered to the Board members.

ARTICLE IX
PRE-EMPTIVE RIGHTS

Section 9.01 Pre-emptive Right.

(a) Issuance of New Securities. The Company hereby grants to each holder of Preferred Units or Common Units (each, a "**Pre-emptive Member**") the right to purchase its Applicable Pro Rata Portion of any New Securities that the Company may from time to time propose to issue or sell to any party.

(b) Definition of New Securities. As used herein:

(i) the term "**New Preferred Securities**" shall mean any authorized but unissued Preferred Units and any Unit Equivalents convertible into Preferred Units, exchangeable or exercisable for Preferred Units, or providing a right to subscribe for, purchase or acquire Preferred Units;

(ii) the term "**New Common Securities**" shall mean any authorized but unissued Common Units and any Unit Equivalents convertible into Common Units, exchangeable or exercisable for Common Units, or providing a right to subscribe for, purchase or acquire Common Units; and

(iii) the term "**New Securities**" shall mean the New Preferred Securities and the New Common Securities, as applicable;

provided, that neither the term "**New Preferred Securities**" nor the term "**New Common Securities**" shall include Units or Unit Equivalents issued or sold by the Company in connection with: (i) a grant to any existing or prospective Managers, Officers or other Service Providers pursuant to any incentive plan or similar equity- based plans or other compensation agreement (an "**Incentive Plan**"); (ii) the conversion or exchange of any securities of the Company into

Units, or the exercise of any warrants or other rights to acquire Units; (iii) any acquisition by the Company or any Company Subsidiary of any equity interests, assets, properties or business of any Person; (iv) any merger, consolidation or other business combination involving the Company or any Company Subsidiary; (v) the commencement of any Public Offering or any transaction or series of related transactions involving a Change of Control; (vi) any subdivision of Units (by a split of Units or otherwise), payment of Distributions or any similar recapitalization; (vii) any private placement of warrants to purchase Membership Interests to lenders or other institutional investors (excluding the Members) in any arm's length transaction in which such lenders or investors provide debt financing to the Company or any Company Subsidiary; (viii) a joint venture, strategic alliance or other commercial relationship with any Person (including Persons that are customers, suppliers and strategic partners of the Company or any Company Subsidiary) relating to the operation of the Company's or any Company Subsidiary's business and not for the primary purpose of raising equity capital; or (ix) any office lease or equipment lease or similar equipment financing transaction in which the Company or any Company Subsidiary obtains from a lessor or vendor the use of such office space or equipment for its business.

(c) Additional Issuance Notices. The Company shall give written notice (an "**Issuance Notice**") of any proposed issuance or sale described in Section 9.01(a) to the Pre-emptive Members within five (5) Business Days following any meeting of the Board at which any such issuance or sale is approved. The Issuance Notice shall, if applicable, be accompanied by a written offer from any prospective purchaser seeking to purchase New Securities (a "**Prospective Purchaser**") and shall set forth the material terms and conditions of the proposed issuance or sale, including:

(i) the number and description of the New Securities proposed to be issued and the percentage of the Company's Units then outstanding on a Fully Diluted Basis (both in the aggregate and with respect to each class or series of Units proposed to be issued) that such issuance would represent;

(ii) the proposed issuance date, which shall be at least twenty (20) Business Days from the date of the Issuance Notice;

(iii) the proposed purchase price per Unit of the New Securities; and

(iv) if the consideration to be paid by the Prospective Purchaser includes non-cash consideration, the Board's good-faith determination of the Fair Market Value thereof.

The Issuance Notice shall also be accompanied by a current copy of the Members Schedule indicating the Pre-emptive Members' holdings of Preferred Units and Common Units in a manner that enables each Pre-emptive Member to calculate its Preferred Pro Rata Portion of any New Preferred Securities and its Common Pro Rata Portion of any New Common Securities.

(d) Exercise of Pre-emptive Rights. Each Pre-emptive Member shall for a period of fourteen (14) Business Days following the receipt of an Issuance Notice (the "**Exercise Period**") have the right to elect irrevocably to purchase all or any portion of its Preferred Pro Rata Portion of any New Preferred Securities and all or any portion of its Common Pro Rata Portion of any New Common Securities, as applicable, at the respective purchase prices set forth in the Issuance Notice by delivering a written notice to the Company (an "**Acceptance Notice**") specifying the number of New Preferred Securities and/or New Common Securities it desires to purchase. The delivery of an Acceptance Notice by a Pre-emptive Member shall be a binding and irrevocable offer by such Member to purchase the New Securities described therein. The failure of a Pre-emptive Member to deliver an Acceptance Notice by the end of the Exercise Period shall constitute a waiver of its rights under this Section 9.01 with respect to the purchase of such New Securities but shall not affect its rights with respect to any future issuances or sales of New Securities.

(e) Over-allotment. No later than five (5) Business Days following the expiration of the Exercise Period, the Company shall notify each Pre-emptive Member in writing of the number of New Securities that each Pre-emptive Member has agreed to purchase (including, for the avoidance of doubt, where such number is zero) (the "**Over- allotment Notice**"). Each Pre-emptive Member exercising its rights to purchase its Applicable Pro Rata Portion of the New Securities in full (an "**Exercising Member**") shall have a right of over-allotment such that if any other Pre-emptive Member has failed to exercise its right under this Section 9.01 to purchase its full Applicable Pro Rata Portion of the New Securities (each, a "**Non-Exercising Member**"), such Exercising Member may purchase its Applicable Pro Rata Portion of such Non-Exercising Member's allotment by giving written notice to the Company within five (5) Business Days of receipt of the Over- allotment Notice (the "**Over-allotment Exercise Period**").

(f) Sales to the Prospective Purchaser. Following the expiration of the Exercise Period and, if applicable, the Over-allotment Exercise Period, the Company shall be free to complete the proposed issuance or sale of New Securities described in the Issuance Notice with respect to which Pre-emptive Members declined to exercise the pre-emptive right set forth in this Section 9.01 on terms no less favorable to the Company than those set forth in the Issuance Notice (except that the amount of New Securities to be issued or sold by the Company may be reduced); provided, that: (i) such issuance or sale is closed within twenty (20) Business Days after the expiration of the Exercise Period and, if applicable, the Over-allotment Exercise Period (subject to the extension of such twenty (20) Business Day period for a reasonable time not to exceed forty (40) Business Days to the extent reasonably necessary to obtain any third-party approvals); and (ii) for the avoidance of doubt, the price at which the New Securities are sold to the Prospective Purchaser is at least equal to or higher than the purchase price described in the Issuance Notice. In the event the Company has not sold such New Securities within such time period, the Company shall not thereafter issue or sell any New Securities without first again offering such securities to the Members in accordance with the procedures set forth in this Section 9.01.

(g) Closing of the Issuance. The closing of any purchase by any Pre-emptive Member shall be consummated concurrently with the consummation of the issuance or sale described in the Issuance Notice. Upon the issuance or sale of any New Securities in accordance with this Section 9.01, the Company shall deliver the New Securities free and clear of any liens (other than those arising hereunder and those attributable to the actions of the purchasers thereof), and the Company shall so represent and warrant to the purchasers thereof, and further represent and warrant to such purchasers that such New Securities shall be, upon issuance thereof to the Exercising Members and after payment therefor, duly authorized, validly issued, fully paid and non-assessable. The Company, in the discretion of the Board pursuant to Section 3.08(a), may deliver to each Exercising Member certificates evidencing the New Securities. Each Exercising Member shall deliver to the Company the purchase price for the New Securities purchased by it by certified or bank check or wire transfer of immediately available funds. Each party to the purchase and sale of New Securities shall take all such other actions as may be reasonably necessary to consummate the purchase and sale including, without limitation, entering into such additional agreements as may be necessary or appropriate.

ARTICLE X
TRANSFER

Section 10.01 General Restrictions on Transfer.

(a) Each Member holding Common Units or Unit Equivalents with respect to Common Units acknowledges and agrees that such Member (or any Permitted Transferee of such Member) shall not Transfer any Common Units or Unit Equivalents with respect to Common Units without the written consent of the Managing Member except as permitted pursuant to Section 10.02.

(b) No Transfer of Units or Unit Equivalents to a Person not already a Member of the Company shall be deemed completed until the prospective Transferee is admitted as a Member of the Company in accordance with Section 4.01(b) hereof.

(c) Notwithstanding any other provision of this Agreement (including Section 10.02) each Member agrees that it will not, directly or indirectly, Transfer any of its Units or Unit Equivalents, and the Company agrees that it shall not issue any Units or Unit Equivalents:

(i) except as permitted under the Securities Act and other applicable federal or state securities or blue sky laws, and then, with respect to a Transfer of Units or Unit Equivalents, if requested by the Company, only upon delivery to the Company of an opinion of counsel in form and substance satisfactory to the Company to the effect that such Transfer may be effected without registration under the Securities Act;

(ii) if such Transfer or issuance occurs prior to the Corporate Election Effective Date and would cause the Company to be considered a “publicly traded partnership” under Section 7704(b) of the Code within the meaning of Treasury

Regulation Section 1.7704-1(h)(1)(ii), including the look-through rule in Treasury Regulation Section 1.7704-1(h)(3);

(iii) if such Transfer or issuance would affect the Company's existence or qualification as a limited liability company;

(iv) if such Transfer or issuance occurs prior to the Corporate Election Effective Date and would cause the Company to lose its status as a partnership for federal income tax purposes;

(v) if such Transfer or issuance occurs prior to the Corporate Election Effective Date and would cause a termination of the Company for federal income tax purposes;

(vi) if such Transfer or issuance would cause the Company or any of the Company Subsidiaries to be required to register as an investment company under the Investment Company Act of 1940, as amended; or
(vii) if such Transfer or issuance would cause the assets of the Company or any of the Company Subsidiaries to be deemed "Plan Assets" as defined under the Employee Retirement Income Security Act of 1974 or its accompanying regulations or result in any "prohibited transaction" thereunder involving the Company or any Company Subsidiary; or

(vii) to a Person that would be an Affected Member at the time of Transfer.

In any event, the Board may refuse the Transfer to any Person if such Transfer would have a material adverse effect on the Company as a result of any regulatory or other restrictions imposed by any Governmental Authority.

(d) Any Transfer or attempted Transfer of any Units or Unit Equivalents in violation of this Agreement shall be null and void, no such Transfer shall be recorded on the Company's books and the purported Transferee in any such Transfer shall not be treated (and the purported Transferor shall continue be treated) as the owner of such Units or Unit Equivalents for all purposes of this Agreement.

(e) For the avoidance of doubt, any Transfer of Units or Unit Equivalents permitted by this Section 10.01, Section 10.02 or made in accordance with the procedures described in Section 10.04, and purporting to be a sale, transfer, assignment or other disposal of the entire Membership Interest represented by such Units or Unit Equivalents, inclusive of all the rights and benefits applicable to such Membership Interest, shall be deemed a sale, transfer, assignment or other disposal of such Membership Interest in its entirety as intended by the parties to such Transfer, and shall not be deemed a sale, transfer, assignment or other disposal of any less than all of the rights and benefits of the Membership Interest unless explicitly agreed to by the parties to such Transfer.

(f) For the avoidance of doubt, a Member holding Preferred Units may Transfer any Preferred Units without consent of the Managing Member or the Members, provided, that such Transfer complies with this Section 10.01.

Section 10.02 Permitted Transfers. Consent of the Managing Member shall not be required for any of the following Transfers by any Member of any of its Common Units or Unit Equivalents with respect to Common Units:

(a) If such Common Units or Unit Equivalents with respect to Common Units to be Transferred equal at least the lesser of (i) 100,000 Units or Unit Equivalents, or (ii) 20% of the total Units and Unit Equivalents held by such Member;

(b) With respect to any Member that is a natural person, to (i) such Member's spouse, parent, siblings, descendants (including adoptive relationships and stepchildren) and the spouses of each such natural persons (collectively, "**Family Members**"), (ii) a trust under which the distribution of Units may be made only to such Member and/or any Family Member of such Member, (iii) a charitable remainder trust, the income from which will be paid to such Member during his life, (iv) a corporation, partnership or limited liability company, the stockholders, partners or members of which are only such Member and/or Family Members of such Member, or (v) by will or by the laws of intestate succession, to such Member's executors, administrators, testamentary trustees, legatees or beneficiaries; provided, that any Member who Transfers Units shall remain bound by the provisions of Section 11.01;

(c) Pursuant to a Public Offering;

(d) Pursuant to a sale to another Member, if such Member is already a holder of the class of Unit being sold; or

(e) Pursuant to Section 10.04 below.

Section 10.03 [Reserved]

Section 10.04 Drag-along Rights.

(a) Participation. Subject to the consent of the Requisite Managers, if one or more Members (together with their respective Permitted Transferees) holding no less than a majority of all the Common Units (including holders of Preferred Units on in as-converted to Common Units basis) (such Member or Members, the "**Dragging Member**"), proposes to consummate, in one transaction or a series of related transactions, a Change of Control (a "**Drag-along Sale**"), the Dragging Member shall have the right, after delivering the Drag-along Notice in accordance with Section 10.04(c) and subject to compliance with Section 10.04(d), to require that each other Member (each, a "**Drag-along Member**") participate in such sale (including, if necessary, by converting their Unit Equivalents into the Units to be sold in the Drag-along Sale) in the manner set forth in Section 10.04(b).

(b) Sale of Units. Subject to compliance with Section 10.04(d):

(i) If the Drag-along Sale is structured as a sale resulting in a majority of the Common Units (including Preferred Units on an as-converted to Common Units basis) of the Company on a Fully Diluted Basis being held by a Third Party Purchaser, then each Drag-along Member shall sell, with respect to each class or series of Units proposed by the Dragging Member to be included in the Drag-along Sale, the number of Units and/or Unit Equivalents of such class or series equal to the product obtained by multiplying (a) the number of applicable Units on a Fully Diluted Basis held by such Drag-along Member by (b) a fraction (x) the numerator of which is equal to the number of applicable Units on a Fully Diluted Basis that the Dragging Member proposes to sell in the Drag-along Sale and (y) the denominator of which is equal to the number of applicable Units on a Fully Diluted Basis held by the Dragging Member at such time; and

(ii) If the Drag-along Sale is structured as a sale of all or substantially all of the consolidated assets of the Company and the Company Subsidiaries or as a merger, consolidation, recapitalization, or reorganization of the Company or other transaction requiring the consent or approval of the Members, then notwithstanding anything to the contrary in this Agreement (including Section 4.06), each Drag- along Member shall vote in favor of the transaction and otherwise consent to and raise no objection to such transaction, and shall take all actions to waive any dissenters', appraisal or other similar rights that it may have in connection with such transaction. The Distribution of the aggregate consideration of such transaction shall be made in accordance with Section 13.03(c).

(c) Sale Notice. The Dragging Member shall exercise its rights pursuant to this Section 10.04 by delivering a written notice (the "**Drag-along Notice**") to the Company and each Drag-along Member no later than twenty (20) Business Days prior to the closing date of such Drag-along Sale. The Drag-along Notice shall make reference to the Dragging Members' rights and obligations hereunder and shall describe in reasonable detail:

(i) The name of the person or entity to whom such Units are proposed to be sold;

(ii) The proposed date, time and location of the closing of the sale;

(iii) The number of each class or series of Units to be sold by the Dragging Member, the proposed amount of consideration for the Drag-along Sale and the other material terms and conditions of the Drag-along Sale, including a description of any non-cash consideration in sufficient detail to permit the valuation thereof and including, if available, the purchase price per Unit of each applicable class or series; and

(iv) A copy of any form of draft agreement proposed to be executed in connection therewith.

(d) Conditions of Sale. The obligations of the Drag-along Members in respect of a Drag-along Sale under this Section 10.04 are subject to the satisfaction of the following conditions:

(i) The consideration to be received by each Drag-along Member shall be the same form and amount of consideration to be received by the Dragging Member per Unit of each applicable class or series (the Distribution of which shall be made in accordance with Section 10.04(b)) and the terms and conditions of such sale shall, except as otherwise provided in Section 10.04(d)(iii), be the same as those upon which the Dragging Member sells its Units;

(ii) If the Dragging Member or any Drag-along Member is given an option as to the form and amount of consideration to be received, the same option shall be given to all Drag-along Members; and

(iii) Each Drag-along Member shall execute the applicable purchase agreement, if applicable, and make or provide the same representations, warranties, covenants, indemnities and agreements as the Dragging Member makes or provides in connection with the Drag-along Sale; provided, that each Drag-along Member shall only be obligated to make individual representations and warranties with respect to its title to and ownership of the applicable Units, authorization, execution and delivery of relevant documents, enforceability of such documents against the Drag-along Member, and other matters specifically relating to such Drag-along Member individually, but not with respect to any of the foregoing with respect to any other Members or their Units; provided, further, that all representations, warranties, covenants and indemnities shall be made by the Dragging Member and each Drag-along Member severally and not jointly and any indemnification obligation shall be pro rata based on the consideration received by the Dragging Member and each Drag-along Member, in each case in an amount not to exceed the aggregate proceeds received by the Dragging Member and each such Drag-along Member in connection with the Drag-along Sale.

(e) Cooperation. Each Drag-along Member shall take all actions as may be reasonably necessary to consummate the Drag-along Sale, including, without limitation, entering into agreements and delivering certificates and instruments, in each case, consistent with the agreements being entered into and the certificates being delivered by the Dragging Member, but subject to Section 10.04(d)(iii).

(f) Expenses. The fees and expenses of the Dragging Member incurred in connection with a Drag-along Sale and for the benefit of all Drag-along Members (it being understood that costs incurred by or on behalf of a Dragging Member for its sole benefit will not be considered to be for the benefit of all Drag-along Members), to the extent not paid or reimbursed by the Company or the Third Party Purchaser, shall be

shared by the Dragging Member and all the Drag-along Members on a pro rata basis, based on the consideration received by each such Member; provided, that no Drag-along Member shall be obligated to make any out-of-pocket expenditure prior to the consummation of the Drag- along Sale.

(g) Consummation of Sale. The Dragging Member shall have ninety (90) days following the date of the Drag-along Notice in which to consummate the Drag-along Sale, on the terms set forth in the Drag-along Notice (which ninety 90-day period may be extended for a reasonable time not to exceed one-hundred and twenty (120) days to the extent reasonably necessary to obtain required approvals or consents from any Governmental Authority). If at the end of such period the Dragging Member has not completed the Drag-along Sale, the Dragging Member may not then exercise its rights under this Section 10.04 without again fully complying with the provisions of this Section 10.04.

ARTICLE XI
COVENANTS

Section 11.01 Confidentiality.

(a) Each Member acknowledges that during the term of this Agreement, he will have access to and become acquainted with trade secrets, proprietary information and confidential information belonging to the Company, the Company Subsidiaries and their Affiliates that are not generally known to the public, including, but not limited to, information concerning business plans, financial statements and other information provided pursuant to this Agreement, operating practices and methods, expansion plans, strategic plans, marketing plans, contracts, customer lists or other business documents which the Company treats as confidential, in any format whatsoever (including oral, written, electronic or any other form or medium) (collectively, "**Confidential Information**"). In addition, each Member acknowledges that: (i) the Company has invested, and continues to invest, substantial time, expense and specialized knowledge in developing its Confidential Information; (ii) the Confidential Information provides the Company with a competitive advantage over others in the marketplace; and (iii) the Company would be irreparably harmed if the Confidential Information were disclosed to competitors or made available to the public. Without limiting the applicability of any other agreement to which any Member is subject, no Member shall, directly or indirectly, disclose or use (other than solely for the purposes of such Member monitoring and analyzing his investment in the Company or performing his duties as a Manager, Officer, employee, consultant or other service provider of the Company) at any time, including, without limitation, use for personal, commercial or proprietary advantage or profit, either during his association or employment with the Company or thereafter, any Confidential Information of which such Member is or becomes aware. Each Member in possession of Confidential Information shall take all appropriate steps to safeguard such information and to protect it against disclosure, misuse, espionage, loss and theft.

(b) Nothing contained in Section 11.01(a) shall prevent any Member from disclosing Confidential Information: (i) upon the order of any court or administrative

agency; (ii) upon the request or demand of any regulatory agency or authority having jurisdiction over such Member; (iii) to the extent compelled by legal process or required or requested pursuant to subpoena, interrogatories or other discovery requests; (iv) to the extent necessary in connection with the exercise of any remedy hereunder; (v) to other Members; (vi) to such Member's Representatives who, in the reasonable judgment of such Member, need to know such Confidential Information and agree to be bound by the provisions of this Section 11.01 as if a Member; or (vii) to any potential Permitted Transferee in connection with a proposed Transfer of Units from such Member, as long as such Transferee agrees to be bound by the provisions of this Section 11.01 as if a Member; provided, that in the case of clause (i), (ii) or (iii), such Member shall notify the Company and other Members of the proposed disclosure as far in advance of such disclosure as practicable (but in no event make any such disclosure before notifying the Company and other Members) and use reasonable efforts to ensure that any Confidential Information so disclosed is accorded confidential treatment satisfactory to the Company, when and if available.

(c) The restrictions of Section 11.01(a) shall not apply to Confidential Information that: (i) is or becomes generally available to the public other than as a result of a disclosure by a Member in violation of this Agreement; (ii) is or becomes available to a Member or any of its Representatives on a non-confidential basis prior to its disclosure to the receiving Member and any of its Representatives in compliance with this Agreement; (iii) is or has been independently developed or conceived by such Member without use of Confidential Information; or (iv) becomes available to the receiving Member or any of its Representatives on a non-confidential basis from a source other than the Company, any other Member or any of their respective Representatives; provided, that such source is not known by the recipient of the Confidential Information to be bound by a confidentiality agreement with the disclosing Member or any of its Representatives.

Section 11.02 Non-solicit; Non-compete.

(a) Non-solicit of Employees. In light of each Member's access to Confidential Information and position of trust and confidence with the Company, each Member further agrees that, while such Member is a member of the Company and for a period of one (1) year after such Member is no longer a member of the Company (the "**Restricted Period**"), he shall not, directly or indirectly through one or more of any of their respective Affiliates, hire or solicit, or encourage any other Person to hire or solicit, any individual who has been employed by the Company or any Company Subsidiary within six (6) months prior to the date of such hiring or solicitation, or encourage any such individual to leave such employment. This Section 11.02(a) shall not prevent a Member from hiring or soliciting any employee or former employee of the Company or any Company Subsidiary who responds to a general solicitation that is a public solicitation of prospective employees and not directed specifically to any Company or Company Subsidiary employees.

(b) Non-solicit of Clients. In light of each Manager's and Officer's access to Confidential Information and position of trust and confidence with the Company, the Company shall require pursuant to any Award Agreement, employment agreement, or other such agreement with a Manager or Officer that each Manager and Officer of the Company shall not, during the Restricted Period, directly or indirectly through one or more of any of their respective Affiliates, solicit or entice, or attempt to solicit or entice, any clients, customers or suppliers of the Company or any Company Subsidiary for purposes of diverting their business or services from the Company.

(c) Severability by Court Order. If any court of competent jurisdiction determines that any of the covenants set forth in this Section 11.02, or any part thereof, is unenforceable because of the duration or geographic scope of such provision, such court shall have the power to modify any such unenforceable provision in lieu of severing such unenforceable provision from this Agreement in its entirety, whether by rewriting the offending provision, deleting any or all of the offending provision, adding additional language to this Section 11.02 or by making such other modifications as it deems warranted to carry out the intent and agreement of the parties as embodied herein to the maximum extent permitted by Applicable Law. The parties hereto expressly agree that this Agreement as so modified by the court shall be binding upon and enforceable against each of them.

(d) Non-compete by Key Individuals. In light of each Key Individual's access to Confidential Information and position of trust and confidence with the Company, the Company hereby agrees that, during the period of any Key Individual's continued employment or other engagement with the Company or any Company Subsidiary, such Key Individual shall not directly or indirectly through one or more of any of their respective Affiliates, own, manage, operate, control or participate in the ownership, management, operation or control of, any Competitor or any division or business segment of any Competitor unless approved by the Requisite Managers; provided, that nothing in this Section 11.02(d) shall prohibit such Key Individual or any of his or her respective Affiliates from acquiring or owning, directly or indirectly:

(i) Up to 9.9% of the aggregate voting securities of any Competitor that is a publicly traded Person; or

(ii) Up to 9.9% of the aggregate voting securities of any Competitor that is not a publicly traded Person, so long as neither such Key Individual nor any of its Permitted Transferees, directly or indirectly through one or more of their respective Affiliates, designates a member of the board of directors (or similar body) of such Competitor or its Affiliates or is granted any other governance rights with respect to such Competitor or its Affiliates (other than customary governance rights granted in connection with the ownership of debt securities).

For purposes of this Section 11.02(d), "**Competitor**" means any other Person engaged, directly or indirectly, in whole or in part, in the same or similar business as the Company, including those

engaged in the business of the cultivation, manufacture, and sale of cannabis in any jurisdiction where the Company conducts business.

ARTICLE XII
ACCOUNTING; TAX MATTERS

Section 12.01 Financial Statements. The Company shall furnish to each Member holding five percent (5%) or more of the Common Units (including Preferred Units on an as-converted to Common Units basis) of the Company (each, a "**Qualified Member**") the following reports:

(a) Annual Financial Statements. As soon as available, and in any event within one hundred twenty (120) days after the end of each Fiscal Year, audited consolidated balance sheets of the Company and Company Subsidiaries as at the end of each such Fiscal Year and audited consolidated statements of income, cash flows and Members' equity for such Fiscal Year, in each case setting forth in comparative form the figures for the previous Fiscal Year, accompanied by the certification of independent certified public accountants of recognized national standing selected by the Board, certifying to the effect that, except as set forth therein, such financial statements have been prepared in accordance with GAAP, applied on a basis consistent with prior years, and fairly present in all material respects the financial condition of the Company and Company Subsidiaries as of the dates thereof and the results of their operations and changes in their cash flows and Members' equity for the periods covered thereby.

(b) Quarterly Financial Reports. As soon as available, and in any event within forty-five (45) days after the end of each quarterly accounting period in each Fiscal Year (other than the last fiscal quarter of the Fiscal Year), unaudited financial summary reports of the Company and Company Subsidiaries.

Section 12.02 Inspection Rights. Upon reasonable notice from a Qualified Member, the Company shall, and shall cause its Managers, Officers and employees to, afford each Qualified Member and its Representatives reasonable access during normal business hours to (i) the Company's and the Company Subsidiaries' properties, offices, plants and other facilities, (ii) the corporate, financial and similar records, reports and documents of the Company and the Company Subsidiaries, including, without limitation, all books and records, minutes of proceedings, internal management documents, reports of operations, reports of adverse developments, copies of any management letters and communications with Members or Managers, and to permit each Qualified Member and its Representatives to examine such documents and make copies thereof, and (iii) the Company's and the Company Subsidiaries' Officers, senior employees and public accountants, and to afford each Qualified Member and its Representatives the opportunity to discuss and advise on the affairs, finances and accounts of the Company and the Company Subsidiaries with their Officers, senior employees and public accountants (and the Company hereby authorizes said accountants to discuss with such Qualified Member and its Representatives such affairs, finances and accounts).

Section 12.03 Annual Strategic Plan. Not later than thirty (30) days prior to the commencement of each Fiscal Year, the Company shall prepare, submit to and obtain the

approval of the Board of an annual strategic plan. The Company and the Subsidiaries shall use commercially reasonable efforts to operate in all material respects in accordance with such annual strategic plan.

Section 12.04 Income Tax Audits. For each year in which the Company is subject to the partnership audit regime under subchapter C to chapter 63 of the Code, as added by the Bipartisan Budget Act of 2015, and the Treasury Regulations and other guidance promulgated thereunder:

(a) The Company shall designate Abner Kurtin to serve as the "partnership representative" of the Company within the meaning of Code section 6223 (the "**Tax Representative**"). The Tax Representative shall have sole authority to act on behalf of the Company for purposes of subchapter C of chapter 63 of the Code and any comparable provisions of state or local income tax laws with respect to the taxable year(s) such Person was designated to serve in such capacity, until such Person resigns or is replaced by the Board in accordance with applicable IRS procedures. If the Tax Representative is an entity rather than an individual, the Tax Representative shall appoint an individual to serve as the "designated individual" to act on behalf of the Tax Representative for the Company. For purposes of this Section 12.04, unless otherwise specified, all references to provisions of chapter 63 of the Code shall be to such provisions as enacted by the Bipartisan Budget Act of 2015, as amended.

(b) The Person serving as the Tax Representative shall be automatically removed as Tax Representative upon the death, dissolution and/or winding up, legal incompetency or Bankruptcy of such Person, and the Person serving as the Tax Representative may be removed at any time by the Board. Upon such removal of the Tax Representative a successor to serve in such position shall be designated by the Board, and the removed Tax Representative shall not take any action for or on behalf of the Company without the prior written consent of the Board.

(c) The Company shall indemnify and hold harmless the Tax Representative in accordance with Article XIV as a result of any act or decision concerning Company tax matters and within the scope of such Person's responsibility as Tax Representative. All amounts indemnified may be advanced as incurred in accordance with Article XIV. The Tax Representative shall be entitled to rely on the advice of outside legal counsel and accountants as to the nature and scope of such Person's responsibilities and authority, and any act or omission of the Tax Representative pursuant to such advice in no event shall subject the Tax Representative to liability to the Company or any Member.

(d) If the Company qualifies to elect pursuant to Code section 6221(b) (or successor provision) to have federal income tax audits and other proceedings undertaken by each Member rather than by the Company, the Company shall make such election.

(e) Notwithstanding other provisions of this Agreement to the contrary, if any "partnership adjustment" (as defined in Code section 6241(2)) is determined with respect to the Company, the Tax Representative, upon the determination of the Board in its sole discretion, will cause the Company to elect pursuant to Code section 6226 to have any

such adjustment passed through to the Members and former Members for the taxable year to which the adjustment relates (i.e., the "reviewed year" within the meaning of Code section 6225(d)(1)). In the event that the Tax Representative has not caused the Company to so elect pursuant to Code section 6226, then any "imputed underpayment" (as determined in accordance with Code section 6225) or "partnership adjustment" that does not give rise to an "imputed underpayment" shall be apportioned among the Members and former Members of the Company in such manner as may be necessary (as determined by the Board in good faith) so that, to the maximum extent possible, the tax and economic consequences of the partnership adjustment and any associated interest and penalties are borne by the Members and former Members based upon their interests in the Company for the reviewed year.

(f) Each Member and former Member agrees that, upon request of the Tax Representative, such Member shall (i) take such actions as may be necessary or desirable (as determined by the Board) to allow the Company to comply with the provisions of Code section 6226 so that any "partnership adjustments" are taken into account by the Members rather than the Company or (ii) file amended tax returns with respect to any "reviewed year" (within the meaning of Code section 6225(d)(1)) to reduce the amount of any "partnership adjustment" otherwise required to be taken into account by the Company.

(g) If the Company is obligated to pay any amount of tax (i.e., an "imputed underpayment" as described herein), penalty, interest, or other charges determined under the Code for a reviewed year, as set forth in a notice of final partnership adjustment or as finally determined upon any appeal or judicial proceeding (a "Company Level Tax"), each Member or former Member to which the assessment or payment relates (an "Indemnifying Member") shall indemnify the Company for, and pay to the Company, the Indemnifying Member's allocable share of the Company Level Tax. Each Indemnifying Member's allocable share of the Company Level Tax shall be determined in good faith by the Board in reliance upon, to the extent necessary, the advice of counsel or accountants. Promptly upon notification by the Board of the Indemnifying Member's obligation to indemnify the Company, an Indemnifying Member shall make a payment to the Company of immediately available funds, at the time and in the amount and manner directed by the Board. Amounts paid to the Company under this Section 12.04(g) by an Indemnifying Member who is not a Member of the Company at the time such payment is made shall not be treated as a Capital Contribution.

(h) Each Member and former Member agrees that such Member shall not treat any Company item inconsistently on such Member's federal, state, foreign, or other income tax return with the treatment of the item on the Company's return. Any deficiency for taxes imposed on any Member or former Member (including penalties, additions to tax or interest imposed with respect to such taxes, and any taxes imposed pursuant to Code section 6226, as amended) shall be paid by such Member, and if paid by the Company will be recoverable from such Member.

(i) The obligations of each Member or former Member under this Section 12.04 shall survive any actual or attempted Transfer, withdrawal or abandonment by such Member of its Transferable Membership Interest and the termination of this Agreement or the dissolution of the Company.

Section 12.05 Tax Returns; Tax Elections; Tax Matters.

(a) At the expense of the Company, the Board (or any Officer that it may designate pursuant to Section 8.10) shall endeavor to cause the preparation and timely filing (including extensions) of all tax returns required to be filed by the Company pursuant to the Code as well as all other required tax returns in each jurisdiction in which the Company and the Company Subsidiaries own property or do business. As soon as reasonably possible after the end of each Fiscal Year that ends prior to the Corporate Election Effective Date, the Board or designated Officer will cause to be delivered to each Person who was a Member at any time during such Fiscal Year, IRS Schedule K-1 to Form 1065 and such other information with respect to the Company as may be necessary for the preparation of such Person's federal, state and local income tax returns for such Fiscal Year.

(b) The Board shall make any and all elections for federal, state, local, or foreign tax purposes including without limitation any election, if permitted by Applicable Law: (i) to adjust the basis of property pursuant to Code sections 734(b), 743(b) and 754, or comparable provisions of state, local or foreign law, in connection with Transfers of Units and Company distributions; (ii) to extend the statute of limitations for assessment of tax deficiencies against the Members with respect to adjustments to the Company's federal, state, local or foreign tax returns; and (iii) to make all decisions on behalf of the Company and the Members and to direct the activities of the Tax Representative before taxing authorities or courts of competent jurisdiction in tax matters affecting the Company or the Members in their capacities as Members, and to direct the filing of any tax returns and to cause the execution of any agreements or other documents relating to or affecting such tax matters, including agreements or other documents that bind the Members with respect to such tax matters or otherwise affect the rights of the Company and the Members.

(c) The Company shall file a valid election under Treasury Regulation Section 301.7701-3(c) to be treated for federal income tax purposes as an association taxable as a corporation and shall be so treated on and after the Corporate Election Effective Date; the Company shall comply with all filing requirements relating thereto, including any comparable election, form or document required by any state or local tax law for the Company to be classified as an association taxable as a corporation under such state or local tax law.

(d) For all taxable years and other periods of the Company that begin on or after the Corporate Election Effective Date, each provision of this Agreement that refers to the Company as a partnership for applicable income tax purposes, or that otherwise relates to matters of partnership income taxation (including income tax reporting and procedure), shall not apply with respect to the Company or any Member during such

taxable year or other period. For the avoidance of doubt, this Section 12.05(d) shall apply to Section 5.03, ARTICLE VI, Section 7.03, Section 7.04(c), Section 7.04(d), Section 7.04(f), Section 10.01(c), Section 12.04 and this Section 12.05.

Section 12.06 Company Funds. All funds of the Company shall be deposited in its name, or in such name as may be designated by the Board, in such checking, savings or other accounts, or held in its name in the form of such other investments as shall be designated by the Board. The funds of the Company shall not be commingled with the funds of any other Person. All withdrawals of such deposits or liquidations of such investments by the Company shall be made exclusively upon the signature or signatures of such Officer or Officers as the Board may designate.

ARTICLE XIII
DISSOLUTION AND LIQUIDATION

Section 13.01 Events of Dissolution. The Company shall be dissolved and is affairs wound up only upon the occurrence of any of the following events:

(a) The determination of the Board to dissolve the Company pursuant to this Agreement;

(b) An election to dissolve the Company made by holders of two thirds of the Voting Units;

(c) The sale, exchange, involuntary conversion, or other disposition or Transfer of all or substantially all the assets of the Company; or

(d) The entry of a decree of judicial dissolution.

Section 13.02 Effectiveness of Dissolution. Dissolution of the Company shall be effective on the day on which the event described in Section 13.01 occurs, but the Company shall not terminate until the winding up of the Company has been completed, the assets of the Company have been distributed as provided in Section 13.03 and the Certificate of Formation shall have been cancelled as provided in Section 13.04.

Section 13.03 Liquidation. If the Company is dissolved pursuant to Section 13.01, the Company shall be liquidated and its business and affairs wound up in accordance with the following provisions:

(a) Liquidator. The Board, or, if the Board is unable to do so, a Person selected by the holders of a majority of the Common Units and a majority of the Preferred Units, shall act as liquidator to wind up the Company (the "**Liquidator**"). The Liquidator shall have full power and authority to sell, assign, and encumber any or all of the Company's assets and to wind up and liquidate the affairs of the Company in an orderly and business- like manner.

(b) Accounting. As promptly as possible after dissolution and again after final liquidation, the Liquidator shall cause a proper accounting to be made by a recognized firm of certified public accountants of the Company's assets, liabilities and operations

through the last day of the calendar month in which the dissolution occurs or the final liquidation is completed, as applicable.

(c) Distribution of Proceeds. The Liquidator shall liquidate the assets of the Company and Distribute the proceeds of such liquidation in the following order of priority, unless otherwise required by mandatory provisions of Applicable Law:

(i) First, to the payment of all of the Company's debts and liabilities to its creditors (including Members, if applicable) and the expenses of liquidation (including sales commissions incident to any sales of assets of the Company);

(ii) Second, to the establishment of and additions to reserves that are determined by the Board in its sole discretion to be reasonably necessary for any contingent unforeseen liabilities or obligations of the Company; and

(iii) Third, to the Members in the same manner as Distributions are made under Section 7.02.

(d) Discretion of Liquidator. Notwithstanding the provisions of Section 13.03(c) that require the liquidation of the assets of the Company, but subject to the order of priorities set forth in Section 13.03(c), if upon dissolution of the Company the Liquidator determines that an immediate sale of part or all of the Company's assets would be impractical or could cause undue loss to the Members, the Liquidator may defer the liquidation of any assets except those necessary to satisfy Company liabilities and reserves, and may, in its absolute discretion, Distribute to the Members, in lieu of cash, as tenants in common and in accordance with the provisions of Section 13.03(c), undivided interests in such Company assets as the Liquidator deems not suitable for liquidation. Any such Distribution in kind will be subject to such conditions relating to the disposition and management of such properties as the Liquidator deems reasonable and equitable and to any agreements governing the operating of such properties at such time. For purposes of any such Distribution, any property to be Distributed will be valued at its Fair Market Value.

Section 13.04 Cancellation of Certificate. Upon completion of the Distribution of the assets of the Company as provided in Section 13.03(c) hereof, the Company shall be terminated and the Liquidator shall cause the cancellation of the Certificate of Formation in the State of Delaware and of all qualifications and registrations of the Company as a foreign limited liability company in jurisdictions other than the State of Delaware and shall take such other actions as may be necessary to terminate the Company.

Section 13.05 Survival of Rights, Duties and Obligations. Dissolution, liquidation, winding up or termination of the Company for any reason shall not release any party from any Loss which at the time of such dissolution, liquidation, winding up or termination already had accrued to any other party or which thereafter may accrue in respect of any act or omission prior to such dissolution, liquidation, winding up or termination. For the avoidance of doubt, none of the foregoing shall replace, diminish or otherwise adversely affect any Member's right to indemnification pursuant to Section 14.03.

Section 13.06 Resource for Claims. Each Member shall look solely to the assets of the Company for all Distributions with respect to the Company, such Member's Capital Account, and such Member's share of Net Income, Net Loss and other items of income, gain, loss and deduction, and shall have no recourse therefor (upon dissolution or otherwise) against the Board, the Liquidator or any other Member.

ARTICLE XIV
EXCULPATION AND INDEMNIFICATION

Section 14.01 Exculpation of Covered Persons.

(a) Covered Persons. As used herein, the term "**Covered Person**" shall mean (i) each Member, (ii) each officer, director, shareholder, partner, member, controlling Affiliate, employee, agent or representative of each Member, and each of their controlling Affiliates, and (iii) each Manager, Officer, employee, agent or representative of the Company.

(b) Standard of Care. No Covered Person shall be liable to the Company or any other Covered Person for any loss, damage or claim incurred by reason of any action taken or omitted to be taken by such Covered Person in good-faith reliance on the provisions of this Agreement, so long as such action or omission does not constitute fraud or willful misconduct by such Covered Person.

(c) Good Faith Reliance. A Covered Person shall be fully protected in relying in good faith upon the records of the Company and upon such information, opinions, reports or statements (including financial statements and information, opinion or reports) of the following Persons or groups: (i) another Manager; (ii) one or more Officers or employees of the Company; (iii) any attorney, independent accountant, appraiser or other expert or professional employed or engaged by or on behalf of the Company; or (iv) any other Person selected in good faith by or on behalf of the Company, in each case as to matters that such relying Person reasonably believes to be within such other Person's professional or expert competence.

Section 14.02 Liabilities and Duties of Covered Persons.

(a) Limitation of Liability. This Agreement is not intended to limit the fiduciary duties of the Managers or the Managing Member. Notwithstanding the foregoing, this Agreement is not intended to, and does not, create or impose any fiduciary duty on any Waiving Member. Furthermore, each Waiving Member hereby waives, with regards only to all other Waiving Members, any and all fiduciary duties that, absent such waiver, may be implied by Applicable Law as applying to such other Waiving Member, and in doing so, acknowledges and agrees that the duties and obligation of each Waiving Member to each other and to the Company are only as expressly set forth in this Agreement. The provisions of this Agreement, to the extent that they restrict the duties and liabilities of a Waiving Member otherwise existing at law or in equity, are agreed by the Members to replace such other duties and liabilities of such Waiving Member.

(b) Duties. Whenever in this Agreement a Covered Person is permitted or required to make a decision (including a decision that is in such Covered Person's "discretion" or under a grant of similar authority or latitude), the Covered Person shall be entitled to consider only such interests and factors as such Covered Person desires, including its own interests, and shall have no duty or obligation to give any consideration to any interest of or factors affecting the Company or any other Person. Whenever in this Agreement a Covered Person is permitted or required to make a decision in such Covered Person's "good faith," the Covered Person shall act under such express standard and shall not be subject to any other or different standard imposed by this Agreement or any other Applicable Law.

Section 14.03 Indemnification.

(a) Indemnification. As the same now exists or may hereafter be amended, substituted or replaced the Company shall indemnify, hold harmless, defend, pay and reimburse any Covered Person against any and all losses, claims, damages, judgments, fines or liabilities, including reasonable legal fees or other expenses incurred in investigating or defending against such losses, claims, damages, judgments, fines or liabilities, and any amounts expended in settlement of any claims (collectively, "**Losses**") to which such Covered Person may become subject by reason of:

(i) Any act or omission or alleged act or omission performed or omitted to be performed on behalf of the Company, any Member or any direct or indirect Subsidiary of the foregoing in connection with the business of the Company; or

(ii) The fact that such Covered Person is or was acting in connection with the business of the Company as a partner, member, stockholder, controlling Affiliate, manager, director, officer, employee or agent of the Company, any Member, or any of their respective controlling Affiliates, or that such Covered Person is or was serving at the request of the Company as a partner, member, manager, director, officer, employee or agent of any Person including the Company or any Company Subsidiary;

provided, that (x) such Covered Person acted in good faith and in a manner believed by such Covered Person to be in, or not opposed to, the best interests of the Company and, with respect to any criminal proceeding, had no reasonable cause to believe his conduct was unlawful, and (y) such Covered Person's conduct did not constitute fraud or willful misconduct, in either case as determined by a final, nonappealable order of a court of competent jurisdiction. In connection with the foregoing, the termination of any action, suit or proceeding by judgment, order, settlement, conviction, or upon a plea of nolo contendere or its equivalent, shall not, of itself, create a presumption that the Covered Person did not act in good faith or, with respect to any criminal proceeding, had reasonable cause to believe that such Covered Person's conduct was unlawful, or that the Covered Person's conduct constituted fraud or willful misconduct.

(b) Reimbursement. The Company shall promptly reimburse (and/or advance to the extent reasonably required) each Covered Person for reasonable legal or other expenses (as incurred) of such Covered Person in connection with investigating, preparing to defend or defending any claim, lawsuit or other proceeding relating to any Losses for which such Covered Person may be indemnified pursuant to this Section 14.03; provided, that if it is finally judicially determined that such Covered Person is not entitled to the indemnification provided by this Section 14.03, then such Covered Person shall promptly reimburse the Company for any reimbursed or advanced expenses.

(c) Entitlement to Indemnity. The indemnification provided by this Section 14.03 shall not be deemed exclusive of any other rights to indemnification to which those seeking indemnification may be entitled under any agreement or otherwise. The provisions of this Section 14.03 shall continue to afford protection to each Covered Person regardless of whether such Covered Person remains in the position or capacity pursuant to which such Covered Person became entitled to indemnification under this Section 14.03 and shall inure to the benefit of the executors, administrators, legatees and distributees of such Covered Person.

(d) Insurance. To the extent available on commercially reasonable terms, the Company may purchase, at its expense, insurance to cover Losses covered by the foregoing indemnification provisions and to otherwise cover Losses for any breach or alleged breach by any Covered Person of such Covered Person's duties in such amount and with such deductibles as the Board may determine; provided, that the failure to obtain such insurance shall not affect the right to indemnification of any Covered Person under the indemnification provisions contained herein, including the right to be reimbursed or advanced expenses or otherwise indemnified for Losses hereunder. If any Covered Person recovers any amounts in respect of any Losses from any insurance coverage, then such Covered Person shall, to the extent that such recovery is duplicative, reimburse the Company for any amounts previously paid to such Covered Person by the Company in respect of such Losses.

(e) Funding of Indemnification Obligation. Notwithstanding anything contained herein to the contrary, any indemnity by the Company relating to the matters covered in this Section 14.03 shall be provided out of and to the extent of Company assets only, and no Member (unless such Member otherwise agrees in writing) shall have personal liability on account thereof or shall be required to make additional Capital Contributions to help satisfy such indemnity by the Company.

(f) Savings Clause. If this Section 14.03 or any portion hereof shall be invalidated on any ground by any court of competent jurisdiction, then the Company shall nevertheless indemnify and hold harmless each Covered Person pursuant to this Section 14.03 to the fullest extent permitted by any applicable portion of this Section 14.03 that shall not have been invalidated and to the fullest extent permitted by Applicable Law.

(g) Amendment. The provisions of this Section 14.03 shall be a contract between the Company, on the one hand, and each Covered Person who served in such capacity at any time while this Section 14.03 is in effect, on the other hand, pursuant to which the Company and each such Covered Person intend to be legally bound. No amendment, modification or repeal of this Section 14.03 that adversely affects the rights of a Covered Person to indemnification for Losses

incurred or relating to a state of facts existing prior to such amendment, modification or repeal shall apply in such a way as to eliminate or reduce such Covered Person's entitlement to indemnification for such Losses without the Covered Person's prior written consent.

(h) Survival. The provisions of this Article XIV shall survive the dissolution, liquidation, winding up and termination of the Company.

ARTICLE XV
MISCELLANEOUS

Section 15.01 Expenses. Except as otherwise expressly provided herein, all costs and expenses, including fees and disbursements of counsel, financial advisors and accountants, incurred in connection with the preparation and execution of this Agreement, or any amendment or waiver hereof, and the transactions contemplated hereby shall be paid by the party incurring such costs and expenses.

Section 15.02 Further Assurances. In connection with this Agreement and the transactions contemplated hereby, the Company and each Member hereby agrees, at the request of the Company or any other Member, to execute and deliver such additional documents, instruments, conveyances and assurances and to take such further actions as may be required to carry out the provisions hereof and give effect to the transactions contemplated hereby.

Section 15.03 Notices. All notices, requests, consents, claims, demands, waivers and other communications hereunder shall be in writing and shall be deemed to have been 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 (receipt requested); (c) on the date sent by facsimile or e-mail of a PDF document (with confirmation of transmission) 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 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 15.03):

If to the Company: 1411 Broadway, 16th Floor
New York, NY 10018
E-mail: [***]
Attention: Abner Kurtin

If to a Member, to such Member's respective mailing address as set forth on the Members Schedule.

Section 15.04 Headings. The headings in this Agreement are inserted for convenience or reference only and are in no way intended to describe, interpret, define, or limit the scope, extent or intent of this Agreement or any provision of this Agreement.

Section 15.05 Severability. If any term or provision of this Agreement is held to be invalid, illegal or unenforceable under Applicable Law in any jurisdiction, such invalidity, illegality or unenforceability shall not affect any other term or provision of this Agreement or

invalidate or render unenforceable such term or provision in any other jurisdiction. Subject to Section 11.02(c), upon such determination that any term or other provision is invalid, illegal or unenforceable, the parties hereto shall negotiate in good faith to modify this Agreement so as to effect the original intent of the parties as closely as possible in a mutually acceptable manner in order that the transactions contemplated hereby be consummated as originally contemplated to the greatest extent possible.

Section 15.06 Entire Agreement.

(a) This Agreement, together with the Certificate of Formation, any Incentive Plan, each Award Agreement and all related Exhibits and Schedules, constitutes the sole and entire agreement of the parties to this Agreement with respect to the subject matter contained herein and therein, and supersedes all prior and contemporaneous understandings, agreements, representations and warranties, both written and oral, with respect to such subject matter, including the Prior Agreement.

(b) In the event of an inconsistency or conflict between the provisions of this Agreement and any provision of any Incentive Plan or an applicable Award Agreement with respect to the subject matter of such Incentive Plan or Award Agreement, the Board shall resolve such conflict in its sole discretion.

Section 15.07 Successors and Assigns. Subject to the restrictions on Transfers set forth herein, this Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective heirs, executors, administrators, successors and assigns.

Section 15.08 No Third-party Beneficiaries. Except as provided in Article XIV which shall be for the benefit of and enforceable by Covered Persons as described therein, this Agreement is for the sole benefit of the parties hereto (and their respective heirs, executors, administrators, successors and assigns) and nothing herein, express or implied, is intended to or shall confer upon any other Person, including any creditor of the Company, any legal or equitable right, benefit or remedy of any nature whatsoever under or by reason of this Agreement.

Section 15.09 Amendment. No provision of this Agreement nor the Company's Certificate of Formation may be amended, modified or waived except by an instrument in writing executed by (a) the Company pursuant to a vote of the Requisite Managers and Members holding a majority of the Common Units and Preferred Units (on an as-converted to Common Units basis), voting as a single class, (b) if any such amendment adversely affects the rights or privileges of any particular Member and does not affect all other similarly situated Members in substantially the same manner, any such Member, and (c) if any such amendment adversely affects the rights or privileges of any particular class of Units and does not affect all other classes of Units in substantially the same manner, Members holding a majority of any such class of Units. Any such written amendment or modification will be binding upon the Company and each Member. Notwithstanding the foregoing, amendments to the Members Schedule following any new issuance, redemption, repurchase or Transfer of Units in accordance with this Agreement may be made by the Board without the consent of or execution by the Members.

Section 15.10 Waiver. No waiver by any party of any of the provisions hereof shall be effective unless explicitly set forth in writing and signed by the applicable parties set forth in Section 15.09. No waiver by any party shall operate or be construed as a waiver in respect of any failure, breach or default not expressly identified by such written waiver, whether of a similar or different character, and whether occurring before or after that waiver. No failure to exercise, or delay in exercising, any right, remedy, power or privilege arising from this Agreement shall operate or be construed as a waiver thereof, nor shall any single or partial exercise of any right, remedy, power or privilege hereunder preclude any other or further exercise thereof or the exercise of any other right, remedy, power or privilege. For the avoidance of doubt, nothing contained in this Section 15.10 shall diminish any of the explicit and implicit waivers described in this Agreement, including in, Section 8.04(c), Section 9.01(d), Section 10.04(b)(ii), and Section 15.13 hereof. Notwithstanding the foregoing, the observance of any term hereof may not be waived with respect to any Member without the written consent of such Member, unless such amendment, modification, termination, or waiver applies to all Members in the same fashion (it being agreed that a waiver of the provisions of ARTICLE IX with respect to a particular transaction shall be deemed to apply to all Members in the same fashion if such waiver does so by its terms, notwithstanding the fact that certain Members may nonetheless, by agreement with the Company, purchase New Securities in such transaction).

Section 15.11 Governing Law. All issues and questions concerning the application, construction, validity, interpretation and enforcement of this Agreement shall be governed by and construed 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.

Section 15.12 Submission to Jurisdiction. The parties hereby agree that any suit, action or proceeding seeking to enforce any provision of, or based on any matter arising out of or in connection with, this Agreement or the transactions contemplated hereby, whether in contract, tort or otherwise, shall be brought in the Court of Chancery of the State of Delaware (or, if such court lacks subject matter jurisdiction, in the Superior Court of the State of Delaware), so long as one of such courts shall have subject-matter jurisdiction over such suit, action or proceeding, and that any case of action arising out of this Agreement shall be deemed to have arisen from a transaction of business in the State of Delaware. Each of the parties hereby irrevocably consents to the jurisdiction of such courts (and of the appropriate appellate courts therefrom) in any such suit, action or proceeding and irrevocably waives, to the fullest extent permitted by law, any objection that it may now or hereafter have to the laying of the venue of any such suit, action or proceeding in any such court or that any such suit, action or proceeding which is brought in any such court has been brought in an inconvenient form. Service of process, summons, notice or other document by registered mail to the address set forth in Section 15.03 shall be effective service of process for any suit, action or other proceeding brought in any such court.

Section 15.13 WAIVER OF JURY TRIAL. EACH PARTY HERETO HEREBY ACKNOWLEDGES AND AGREES THAT ANY CONTROVERSY WHICH MAY ARISE UNDER THIS AGREEMENT IS LIKELY TO INVOLVE COMPLICATED AND DIFFICULT ISSUES AND, THEREFORE, EACH SUCH PARTY IRREVOCABLY AND

UNCONDITIONALLY WAIVES ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY LEGAL ACTION ARISING OUT OF OR RELATING TO THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY.

Section 15.14 Equitable Remedies. Each party hereto acknowledges that a breach or threatened breach by such party of any of its obligations under this Agreement would give rise to irreparable harm to the other parties, for which monetary damages would not be an adequate remedy, and hereby agrees that in the event of a breach or a threatened breach by such party of any such obligations, each of the other parties hereto shall, in addition to any and all other rights and remedies that may be available to them in respect of such breach, be entitled to equitable relief, including a temporary restraining order, an injunction, specific performance and any other relief that may be available from a court of competent jurisdiction (without any requirement to post bond).

Section 15.15 Attorneys' Fees. In the event that any party hereto institutes any legal suit, action or proceeding, including arbitration, against another party in respect of a matter arising out of or relating to this Agreement, the prevailing party in the suit, action or proceeding shall be entitled to receive, in addition to all other damages to which it may be entitled, the costs incurred by such party in conducting the suit, action or proceeding, including reasonable attorneys' fees and expenses and court costs.

Section 15.16 Remedies Cumulative. The rights and remedies under this Agreement are cumulative and are in addition to and not in substitution for any other rights and remedies available at law or in equity or otherwise, except to the extent expressly provided in Section 14.02 to the contrary.

Section 15.17 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 facsimile, e-mail or other means of Electronic Transmission shall be deemed to have the same legal effect as delivery of an original signed copy of this Agreement.

Section 15.18 Conversion to Corporation. The Members may cause the Company to convert to corporate form under applicable state law. If conversion occurs in connection with an Initial Public Offering, each Member agrees to lock-up restrictions substantially similar to those set forth in Section 15.19(d).

Section 15.19 Initial Public Offering.

(a) Initial Public Offering. If at any time the Board desires to cause (i) a Transfer of all or a substantial portion of (x) the assets of the Company or (y) the Units to a newly organized corporation or other business entity (an "**IPO Entity**"), (ii) a merger or consolidation of the Company into or with an IPO Entity, or (iii) another restructuring of all or substantially all the assets or Units of the Company into an IPO Entity (any such corporation also herein referred to as an "IPO Entity"), in any such case in anticipation of or otherwise in connection with an Initial Public Offering of securities of an IPO Entity or its Affiliate (an "**Initial Public Offering**"), each Member shall take such steps to effect

such Transfer, merger, consolidation, conversion or other restructuring as may be reasonably requested by the Board, including, without limitation, executing and delivering all agreements, instruments and documents as may be reasonably required and Transferring or tendering such Member's Units to an IPO Entity in exchange for or as consideration for shares of capital stock or other equity interests of the IPO Entity, determined in accordance with Section 15.19(b).

(b) Conversion of Units.

(i) In connection with a transaction described in Section 15.19(a) all outstanding Units shall convert into a single class of equity of the IPO Entity (the "**IPO Entity Securities**") as follows:

(1) Each Common Unit shall convert into one (1) IPO Entity Security;

(2) Each Series Seed Preferred Unit and Series Seed+ Preferred Unit shall convert into one (1) IPO Entity Security;

(3) Each Real Estate Preferred Unit shall convert into a number of IPO Entity Securities equal to (x) one (1) plus (y) (A) the original purchase price of such Real Estate Preferred Unit multiplied by 1.5, *divided by* (B) the price at which IPO Entity Securities are sold to the public generally in the Initial Public Offering.

(ii) Notwithstanding anything to the contrary contained herein, any Common Units subject to vesting pursuant to an Award Agreement shall continue to be subject to the same vesting schedule following conversion to IPO Entity Securities in accordance with this Section 15.19(b).

(c) Appointment of Proxy. Each Member hereby makes, constitutes and appoints the Company, with full power of substitution and resubstitution, its true and lawful attorney, for it and in its name, place and stead and for its use and benefit, to act as its proxy in respect of any vote or approval of Members required to give effect to this Section 15.19. The proxy granted pursuant to this Section 15.19(c) is a special proxy coupled with an interest and is irrevocable.

(d) Lock-up Agreement. Each Member hereby agrees that in connection with an Initial Public Offering, and upon the request of the managing underwriter in such offering, such Member shall not, without the prior written consent of such managing underwriter, during the period commencing on 90 days prior to the effective date of such registration and ending on the date specified by such managing underwriter (such period not to exceed 180 days in the case of an Initial Public Offering), (i) offer, pledge, sell, contract to sell, grant any option or contract to purchase, purchase any option or contract to sell, hedge the beneficial ownership of or otherwise dispose of, directly or indirectly, any Units or Unit Equivalents (including any equity securities of the IPO Entity) held immediately before the effectiveness of the registration statement for such offering, or (ii) enter into any swap or other arrangement that transfers to another, in whole or in part, any

of the economic consequences of ownership of such securities, whether any such transaction described in clause (i) or (ii) above is to be settled by delivery of Units or Unit Equivalents (including equity securities of the IPO Entity) or such other securities, in cash or otherwise. The foregoing provisions of this Section 15.19(d) shall not apply to sales of securities to be included in such Initial Public Offering or other offering if otherwise permitted. Each Member agrees to execute and deliver such other agreements as may be reasonably requested by the Company or the managing underwriter which are consistent with the foregoing or which are necessary to give further effect thereto.

Section 15.20 Sale of Units. In the event that a sale of substantially all of the Company is structured as a direct or indirect sale of Units by the Members, rather than a transaction giving rise to a distribution of proceeds by the Company, the purchase agreement governing such sale will have provisions therein which replicate, to the greatest extent possible, at least the economic result that would have been attained under Section 13.03 had the sale been structured as a sale of the Company's assets and a distribution of proceeds thereof (or modifications will be made to this Agreement, as determined in the reasonable discretion of the Board, to accomplish this result).

[Signature Page Follows]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed as of the date first written above by their respective officers thereunto duly authorized.

The Company:

ASCEND WELLNESS HOLDINGS, LLC

By: /s/ Abner Kurtin

Name: Abner Kurtin, for AGP Partners, LLC, the Managing Member

EXHIBIT A

FORM OF JOINDER AGREEMENT

The undersigned is executing and delivering this Joinder Agreement pursuant to the Fifth Amended and Restated Limited Liability Company Agreement dated as of March 2, 2021 (as amended, modified, restated or supplemented from time to time, the "**Operating Agreement**"), among Ascend Wellness Holdings, LLC, a Delaware limited liability company (the "**Company**"), and its Members party thereto.

By executing and delivering this Joinder Agreement to the Company, the undersigned hereby agrees to become a party to, to be bound by, and to comply with the provisions of the Operating Agreement in the same manner as if the undersigned were an original signatory to such agreement.

The undersigned agrees that the undersigned shall be a Member, as such term is defined in the Operating Agreement.

Accordingly, the undersigned has executed and delivered this Joinder Agreement as of _____, 20___.

By: _____

Name: _____

Title: _____

[***]

ASCEND WELLNESS HOLDINGS, LLC
EQUITY INCENTIVE PLAN

1. Purpose. This Ascend Wellness Holdings, LLC Equity Incentive Plan (the "**Plan**") is intended to further the growth and success of Ascend Wellness Holdings, LLC, a Delaware limited liability company (the "**Company**") by enabling Grantees to acquire equity interests in the Company, thereby increasing their personal stake in the Company's growth and success, providing a means of rewarding outstanding service by such Grantees and aiding retention. Capitalized terms not defined herein shall have the meanings set forth in the Third Amended and Limited Liability Company Agreement of the Company, as it may be amended, modified, superseded or replaced from time to time the ("**LLC Agreement**").

2. Definitions.

"**Award**" means an award of Incentive Units granted pursuant to the Plan.

"**Award Agreement**" means an agreement by and between the Company and a Grantee evidencing the terms of an Award and entered into pursuant to the terms of the Plan.

"**Board or Board of Managers**" means the Board of Managers of the Company, as constituted from time to time.

"**Code**" means the Internal Revenue Code of 1986, as it may be amended from time to time. Any reference to a section of the Code shall be deemed to include a reference to any regulations promulgated thereunder.

"**Committee**" means the committee as may be appointed by the Board to administer the Plan in accordance with Section 3 hereof, or where no such committee is appointed, the full Board of Managers.

"**Company**" means Ascend Wellness Holdings, LLC a Delaware limited liability company, including any successor thereto.

"**Company Subsidiary**" has the meaning set forth in Article I of the LLC Agreement. "**Effective Date**" means the date as of which this Plan is adopted by the Board.

"**Fair Market Value**" means as of any date the purchase price that a willing buyer having all relevant knowledge would pay a willing seller for the applicable Incentive Unit in an arm's length transaction, as determined in good faith by the Board based on such factors as the Board, in the exercise of its reasonable business judgment, considers relevant.

"**Fully Diluted Basis**" has the meaning set forth in Article I of the LLC Agreement.

"**Grantee**" means any Service Provider designated by the Committee to be granted Incentive Units pursuant to the Plan.

"**Incentive Unit**" means a type of Unit having the privileges, preference, duties, liabilities, obligations and rights specified in the LLC Agreement.

"**Manager**" means a member of the Board of Managers.

"**Permitted Transferee**" has the meaning set forth in Article I of the LLC Agreement.

"**Plan**" means this Ascend Wellness Holdings, LLC Equity Incentive Plan, as set forth herein, and as amended from time to time.

"**Profits Interest Hurdle**" means an amount specified by the Committee with respect to each Incentive Unit and set forth in the applicable Award Agreement in accordance with the LLC Agreement. The Profits Interest Hurdle applicable to any Incentive Unit issued hereunder shall be no less than the amount determined by the Board of Managers to be necessary to cause such Incentive Unit to constitute a "profits interest" within the meaning of Revenue Procedures 93-27 and 2001-43.

"**Restricted Incentive Unit**" has the meaning set forth in Section 5.2(a) hereof.

"**Service Provider**" means a Manager, officer, employee, consultant or other Grantee of the Company or any Company Subsidiary.

"**Unit**" has the meaning set forth in Article I of the LLC Agreement. "**Unrestricted Incentive Unit**" has the meaning set forth in Section 5.2(a) hereof.

3. Administration.

3.1 Committee. The Plan shall be administered by the Committee. Subject to Section 8.08 of the LLC Agreement, the Committee shall have such power and authority as is granted to it by the Board in the resolutions appointing the Committee.

3.2 Procedures. The Committee shall adopt such rules and regulations as it deems appropriate regarding the holding of meetings and the administration of the Plan.

3.3 Awards. The Committee shall have the authority to determine all matters and issues relating to the granting of Awards under the Plan, including, without limitation:

(a) the Grantees who shall be granted Awards;

(b) the time or times when Awards shall be granted;

(c) the number of Incentive Units subject to each Award;

(d) whether an Award Agreement must be executed by a Grantee's spouse;

(e) the terms and conditions of any Award, including the Profits Interest Hurdle, any vesting conditions (which may include performance-based goals), restrictions or limitations and any vesting acceleration (whether upon a Change in Control or otherwise) or forfeiture waiver regarding any Award and the Incentive Units relating thereto, based on such factors as the Committee shall determine; and

(f) subject to Section 6 hereof or any similar provision in any Award Agreement, whether to modify, amend or adjust the terms and conditions of any Award.

3.4 Profits Interest Determinations. The Committee may take all actions necessary or appropriate to cause the Incentive Units granted hereunder to be treated as "profits interests" for all United States federal income tax purposes.

3.5 Interpretation. The Committee shall have the authority to construe and interpret the Plan, prescribe, amend and rescind rules relating to the Plan's administration and take any other actions necessary or desirable for the administration of the Plan. The Committee may correct any defect or supply any omission or reconcile any inconsistency or ambiguity in the Plan. The decisions of the Committee shall be final and binding on all persons.

4. Incentive Units Subject to the Plan. Subject to Section 6 hereof, the number of Incentive Units that the Company may issue under the Plan shall not exceed 10% of the aggregate total of Preferred Units and Common Units outstanding on a Fully Diluted Basis as of the date of the grant. If and to the extent that any Award is forfeited (or repurchased by the Company for its original cost), the Incentive Units subject to such Awards shall again be available for distribution under the Plan.

5. Awards.

5.1 General. Awards may be granted to Grantees at such times as determined by the Committee. Each Award shall be evidenced by an Award Agreement which shall set out the material terms of the Award.

5.2 Terms and Conditions of Awards.

(a) Vesting. The Committee shall establish such vesting criteria for the Incentive Units as it determines in its discretion and shall include such vesting criteria in each Award Agreement. Vesting may be based on the continued service of the Grantee or on the achievement of performance goals set out in the Award Agreement. Incentive Units may also be fully vested on the date such Incentive Units are granted. Incentive Units that have not vested are "**Restricted Incentive Units**". Incentive Units that have vested are "**Unrestricted Incentive Units**". The Committee may, at any time, waive or accelerate any of the foregoing restrictions, in whole or in part, in its discretion.

(b) Profits Interest Hurdle. The Committee shall specify the Profits Interest Hurdle applicable to each Incentive Unit in the applicable Award Agreement in accordance with the LLC Agreement.

(c) Subject to LLC Agreement. Incentive Units granted under the Plan shall be subject in all respects to the LLC Agreement, including but not limited to with respect to restrictions on transfer, voting rights and participation in management, the Company's Call Rights, and allocations and distributions.

(d) Conditions to Effectiveness. No Award shall be effective unless and until (i) the Grantee (for the Grantee and for any of the Grantee's Permitted Transferees) hereby agrees to be bound by, and subject to, all of the terms and provisions of the LLC Agreement, including all restrictions on the transfer of the Incentive Units, and agrees to sign a joinder agreement to the LLC Agreement in connection with the Award; (ii) the Grantee executes and delivers any other documents requested by the Committee in its sole discretion, including but not limited to spousal consent, an election under Section 83(b) of the Code, restrictive covenants, or a waiver and general release of claims against the Company.

5.3 Company's Call Right. Unless otherwise determined by the Committee and set forth in the applicable Award Agreement, the Company may, at its election, require the Grantee and any or all of the Grantee's Permitted Transferees to either forfeit or sell to the Company all or any portion of

such Grantee's Incentive Units in connection with a termination of Grantee's services to the Company, as set forth in the LLC Agreement. Whether any event impacting Grantee's services to the Company constitutes a termination of service for this purpose shall be determined by the Committee in its sole discretion.

6. Adjustments. If the Units are changed by reason of a change in corporate capitalization or exchanged for other securities as a result of a merger, consolidation or reorganization, the Committee shall make appropriate adjustments to the maximum number of Incentive Units that may be granted hereunder and shall make such adjustments to the Incentive Units as shall be equitable and appropriate to prevent dilution or enlargement of the benefits provided by Awards granted under the Plan.

8. Withholding; No Guarantee of Tax Treatment.

8.1 Withholding. To the extent the grant of Incentive Units under the Plan imposes upon the Company or any Company Subsidiary any tax obligation, including withholding, payroll, or employment tax, the Committee shall have sole discretion in determining how to satisfy such obligations, including but not limited to (a) requiring as a condition of delivery that the Grantee agree to pay the Company or Company Subsidiary all or a portion of such tax obligations, (b) treating any amount not paid by the Grantee as additional compensation to the Grantee for services, and/or (c) treating any amount not paid by the Grantee as a loan by the Company to the Grantee, payable on demand by means determined by the Company (including deducting such amounts from compensation or distributions subsequently payable to the Grantee), and accruing a reasonable interest rate determined by the Company. Any such payments made by a Grantee to the Company shall not be treated as a capital contribution to the Company.

8.2 No Guarantee of Tax Treatment. The Incentive Units granted under the Plan are intended to be "profits interests" for United States federal income tax purposes pursuant to Revenue Procedures 93-27 and 2001-43. The Board may take all actions necessary or appropriate to cause the Incentive Units to be treated as profits interests for all United States federal income tax purposes. Notwithstanding the foregoing, the Company does not guarantee that any Award intended to be a profits interest shall be treated as such for tax purposes, and none of the Board, the Company or any Company Subsidiary shall indemnify any individual with respect to the tax consequences if they are not so treated.

9. General Provisions.

9.1 Section 409A.

(a) The Plan and all Awards granted hereunder will be interpreted to the greatest extent possible in a manner that makes the Plan and such Awards exempt from Section 409A of the Code and the rules, regulations and other guidance promulgated thereunder (collectively, "Section 409A"), or, to the extent not so exempt, in compliance with Section 409A. Accordingly, this Plan and all Awards shall be read and interpreted to the extent necessary to be exempt from or comply with Section 409A. Notwithstanding the foregoing, neither the Company nor any of the Company's or its affiliates' respective stockholders, members, unitholders, subsidiaries, successors, assigns, trustees, directors, officers, limited or general partners, managers, joint venturers, employees, or any of the agents or advisors of any of the foregoing, including any successors and assigns of any of the foregoing, make any representations that the payments and benefits provided under this Plan or any Award are exempt from, or comply with, Section 409A, and in no event shall the Company be liable for all or any portion of any taxes, penalties, interest

or other expenses that may be incurred by a Grantee on account of non-compliance with Section 409A. The Committee may also amend the Plan and/or any Award Agreement without the Grantee's consent to the extent necessary to (i) comply with Section 409A; or (ii) ensure that the Incentive Units granted under the Plan are treated as profits interests for all United States federal income tax purposes.

(b) Notwithstanding any other provision of this Plan or an applicable Award, if a Grantee is a "specified employee" within the meaning of Code Section 409A(a)(2)(B)(i) at the time of the Grantee's termination of employment, then any payments and benefits provided under this Plan or the applicable Award that constitute a "nonqualified deferred compensation plan" subject to Section 409A that are paid or provided to the Grantee on account of his or her separation from service shall not be paid or provided until after the six-month anniversary of the Grantee's termination date or, if earlier, the date of death of the Grantee, and any amounts so deferred will be paid in a lump sum on the day after such six-month period elapses, with the balance paid thereafter on the original schedule.

9.2 No Right to Awards. No Grantee shall have any claim to be granted any Award. There is no obligation for uniformity of treatment of Grantees or holders or beneficiaries of Awards and the terms and conditions of Awards need not be the same with respect to each Grantee or holder or beneficiary.

9.3 No Effect on Retirement and Other Benefit Plans. Except as specifically provided in a retirement or other benefit plan of the Company or a Company Subsidiary, Awards granted hereunder shall not be deemed "compensation" for purposes of computing benefits or contributions under any retirement plan of the Company or a Company Subsidiary. The Plan is unfunded, is not intended to provide retirement benefits, and is not intended to be a plan that is subject to the Employee Retirement Income Security Act of 1974, as amended ("**ERISA**") and shall be interpreted accordingly.

9.4 Compliance with Law. The obligations of the Company with respect to payments under the Plan are subject to compliance with all applicable laws and regulations.

9.5 Effective Date; Term of Plan. The Plan shall become effective on the Effective Date. This Plan will remain in effect until it is revised or terminated by further action of the Board.

9.6 Termination and Amendment. The Committee may at any time amend or modify this Plan in whole or in part. However, no amendment or termination of the Plan may impair the right of a Grantee with respect to an Award previously granted under the Plan without such Grantee's consent. Notwithstanding the foregoing, the Grantee's consent shall not be required if the Committee determines in its sole discretion that such an amendment or modification or termination is required or advisable for the Company, the Plan or the Award to satisfy any applicable law or regulation, stock exchange rule, over-the-counter market rule or to meet the requirements of any intended accounting treatment.

9.7 Applicable Law. The laws of the State of Delaware shall govern all questions concerning the construction, validity and interpretation of the Plan, without regard to such state's conflict of law rules.

9.8 Severability. If any provision of the Plan shall for any reason be held to be invalid or unenforceable, such invalidity or unenforceability shall not affect any other provision hereof, and the Plan shall be construed as if such invalid or unenforceable provision were omitted.

9.9 Headings. The headings of sections herein are included solely for convenience and shall not affect the meaning of any of the provisions of the Plan.

ASCEND WELLNESS HOLDINGS, LLC

2020 Equity Incentive Plan

1. Purpose.

The purpose of this plan (the "Plan") is to secure for Ascend Wellness Holdings, LLC, a Delaware limited liability company (the "Company") and its members the benefits arising from unit ownership by employees, officers and managers of, and consultants or advisors to, the Company and its parent and subsidiary corporations who are expected to contribute to the Company's future growth and success. Under the Plan recipients may be awarded both (i) Common Unit Options (as defined in Section 2.1) to purchase the Company's common units ("Common Units") and (ii) units of Common Units ("Restricted Units Awards"). Except where the context otherwise requires, the term "Company" shall include any parent and all present and future subsidiaries of the Company as defined in Sections 424(e) and 424(f) of the Internal Revenue Code of 1986, as amended or replaced from time to time (the "Code"). Those provisions of the Plan which make express reference to Section 422 of the Code shall apply only to Incentive Common Unit Options (as that term is defined below). Appendix A to this Plan shall apply only to participants in the Plan who are residents of the State of California.

2. Types of Awards and Administration.

2.1 **Common Unit Options.** Options granted pursuant to the Plan ("Common Unit Options") shall be authorized by action of the Board of Managers of Ascend Wellness Holdings, LLC (the "Board" or "Board of Managers") and may be either incentive common unit options ("Incentive Common Unit Options") meeting the requirements of Section 422 of the Code or non-statutory Options which are not intended to meet the requirements of Section 422. All Options when granted are intended to be non-statutory Options, unless the applicable Option Agreement (as defined in Section 5.1) explicitly states that the Option is intended to be an Incentive Common Unit Option. The vesting of Options may be conditioned upon the completion of a specified period of employment with the Company and/or such other conditions or events as the Board may determine. The Board may also provide that Options are immediately exercisable subject to certain repurchase rights in the Company dependent upon the continued employment of the optionee and/or such other conditions or events as the Board may determine.

2.1.1 **Incentive Common Unit Options.** Incentive Common Unit Options may only be granted to employees of the Company. For so long as the Code shall so provide, Common Unit Options granted to any employee under the Plan (and any other incentive common unit option plans of the Company) which are intended to constitute Incentive Common Unit Options shall not constitute Incentive Common Unit Options to the extent that such Options, in the aggregate, become exercisable for the first time in any one calendar year for Common Units with an aggregate fair market value (determined as of the respective date or dates of grant) of more than $100,000. If an Option is intended to be an Incentive Common Unit Option, and if for any reason such Option (or any portion thereof) shall not qualify as an Incentive Common Unit Option, then, to the extent of such nonqualification, such Option (or

portion thereof) shall be regarded as a non-statutory Option appropriately granted under the Plan provided that such Option (or portion thereof) otherwise meets the Plan's requirements relating to non-statutory Options.

2.2 **Restricted Units Awards.** The Board in its discretion may grant Restricted Units Awards, entitling the recipient to acquire, for a purchase price determined by the Board, Common Units subject to such restrictions and conditions as the Board may determine at the time of grant ("Restricted Units"), including continued employment and/or achievement of pre-established performance goals and objectives.

2.3 **Administration.** The Plan shall be administered by the Board, whose construction and interpretation of the terms and provisions of the Plan shall be final and conclusive. The Board may in its sole discretion authorize issuance of Restricted Units, the grant of Options and the issuance of units upon exercise of such Options as provided in the Plan. The Board shall have authority, subject to the express provisions of the Plan, to construe Restricted Units Agreements, Option Agreements and the Plan, to prescribe, amend and rescind rules and regulations relating to the Plan, to determine the terms and provisions of Restricted Units Agreements and Option Agreements, and to make all other determinations in the judgment of the Board necessary or desirable for the administration of the Plan. The Board may correct any defect or supply any omission or reconcile any inconsistency in the Plan or in any Restricted Units Agreement or Option Agreement in the manner and to the extent it shall deem expedient to carry the Plan into effect and it shall be the sole and final judge of such expediency. No manager or person acting pursuant to authority delegated by the Board shall be liable for any action or determination under the Plan made in good faith. The Board may, to the full extent permitted by or consistent with applicable laws or regulations, delegate any or all of its powers under the Plan to a committee (the "Committee") appointed by the Board, and if the Committee is so appointed, to the extent of such delegation, all references to the Board in the Plan shall mean and relate to such Committee, other than references to the Board in this sentence and in Section 18 (as to amendment or termination of the Plan) and Section 22.

3. Eligibility.

Options may be granted, and Restricted Units may be issued, to persons who are, at the time of such grant or issuance, employees, officers or managers of, or consultants or advisors to, the Company; *provided*, that the class of persons to whom Incentive Common Unit Options may be granted shall be limited to employees of the Company.

3.1 **10% Member**. If any employee to whom an Incentive Common Unit Option is to be granted is, at the time of the grant of such Option, the owner of units possessing more than 10% of the total combined voting power of all classes of units of the Company (after taking into account the attribution of stock ownership rules of Section 424(d) of the Code) (a "Greater Than 10% Member"), any Incentive Common Unit Option granted to such individual must: (i) have an exercise price per unit of not less than 110% of the fair market value of one Common Unit at the time of grant; and (ii) expire by its terms not more than five years from the date of grant.

4. Units Subject to Plan.

Subject to adjustment as provided in Section 14.2 below, the maximum number of Common Units which may be issued under the Plan is 20,061,147 units, all of which may be issued with respect to Incentive Common Unit Options. If an Option shall expire or terminate for any reason without having been exercised in full, the unpurchased units subject to such Option shall again be available for subsequent Option grants or Restricted Units Awards under the Plan. If units of Restricted Units shall be forfeited to, or otherwise repurchased by, the Company pursuant to a Restricted Units Agreement, such repurchased units shall again be available for subsequent Option grants or Restricted Units Awards under the Plan. If units otherwise issuable upon exercise of an Option are withheld by the Company in payment of the exercise price of an Option or to satisfy tax withholding obligations with respect to such exercise, such withheld units shall again be available for subsequent Option grants or Restricted Units Awards under the Plan.

5. Forms of Restricted Units Agreements and Option Agreements.

5.1 **Option Agreement.** Each recipient of an Option shall execute an option agreement ("Option Agreement") in such form not inconsistent with the Plan as may be approved by the Board of Managers. Such Option Agreements may differ among recipients.

5.2 **Restricted Units Agreement.** Each recipient of a grant of Restricted Units shall execute an agreement ("Restricted Units Agreement") in such form not inconsistent with the Plan as may be approved by the Board of Managers. Such Restricted Units Agreements may differ among recipients.

5.3 **"Lock-Up" Agreement.** Unless the Board specifies otherwise, each Restricted Units Agreement and Option Agreement shall provide that upon the request of the Company or the managing underwriter(s) of any offering of securities of the Company that is the subject of a registration statement filed under the United States Securities Act of 1933, as amended from time to time (the "Act"), the holder of any Option or the purchaser of any Restricted Units shall, in connection therewith, agree in writing (in such form as the Company or such managing underwriter(s) shall request) to the general effect that for a period of time (not to exceed 180 days) from the effective date of the registration statement under the Act for such offering, the holder or purchaser will not sell, make any short sale of, loan, grant any option for the purchase of, or otherwise dispose of any Common Units of the Company owned or controlled by him or her.

6. Purchase Price.

6.1 **General.** The purchase price per unit of Restricted Units and per unit of Common Units deliverable upon the exercise of an Option shall be determined by the Board, provided, however, that in the case of any Option, the exercise price shall not be less than 100% of the fair market value of such Common Units, as determined by the Board, at the time of grant of such Option, or less than 110% of such fair market value in the case of any Incentive Common Unit Option granted to a Greater Than 10% Member.

6.2 **Payment of Purchase Price.** Option Agreements may provide for the payment of the exercise price by delivery of cash or a check to the order of the Company in an amount equal to the exercise price of such Options, or, to the extent provided in the applicable Option Agreement, by one of the following methods:

(i) with the consent of the Board, by delivery to the Company of Common Units; such surrendered units shall have a fair market value equal in amount to the exercise price of the Options being exercised,

(ii) with the consent of the Board, a personal recourse note issued by the optionee to the Company in a principal amount equal to such aggregate exercise price and with such other terms, including interest rate and maturity, as the Company may determine in its discretion; provided, however, that the interest rate borne by such note shall not be less than the lowest applicable federal rate, as defined in Section 1274(d) of the Code,

(iii) with the consent of the Board, if the class of Common Units is registered under the Securities Exchange Act of 1934 at such time, subject to rules as may be established by the Board, by delivery to the Company of a properly executed exercise notice along with irrevocable instructions to a broker to promptly deliver to the Company cash or a check payable and acceptable to the Company for the purchase price,

(iv) with the consent of the Board, by reducing the number of Option units otherwise issuable to the optionee upon exercise of the Option by a number of Common Units having a fair market value equal to such aggregate exercise price,

(v) with the consent of the Board, by any combination of such methods of payment.

The fair market value of any Common Units or other non-cash consideration which may be delivered upon exercise of an Option shall be determined by the Board of Managers. Restricted Units Agreements may provide for the payment of any purchase price in any manner approved by the Board of Managers at the time of authorizing the issuance thereof.

7. Option Period.

Notwithstanding any other provision of the Plan or any Option Agreement, each Option and all rights thereunder shall expire on the date specified in the applicable Option Agreement, provided that such date shall not be later than ten years after the date on which the Option is granted (or five years in the case of an Incentive Common Unit Option granted to a Greater Than

10% Member), and in either case, shall be subject to earlier termination as provided in the Plan or Option Agreement.

8. Exercise of Options.

8.1 **General.** Each Option shall be exercisable either in full or in installments at such time or times and during such period as shall be set forth in the Option Agreement evidencing such Option, subject to the provisions of the Plan. To the extent not exercised, installments shall accumulate and be exercisable, in whole or in part, at any time after becoming exercisable, but not later than the date the Option expires.

8.2 **Notice of Exercise.** An Option may be exercised by the optionee by delivering to the Company on any business day a written notice specifying the number of Common Units the optionee then desires to purchase and specifying the address to which the certificates for such units are to be mailed (the "Notice"), accompanied by payment for such units. In addition, the Company may require any individual to whom an Option is granted, as a condition of exercising such Option, to give written assurances (the "Investment Letter") in a substance and form satisfactory to the Company to the effect that such individual is acquiring the Common Units subject to the Option for his or her own account for investment and not with a view to the resale or distribution thereof, and to such other effects as the Company deems necessary or advisable in order to comply with any securities law(s).

8.3 **Delivery.** As promptly as practicable after receipt of the Notice, the Investment Letter (if required) and payment, the Company shall deliver or cause to be delivered to the optionee certificates for the number of units with respect to which such Option has been so exercised, issued in the optionee's name; provided, however, that such delivery shall be deemed effected for all purposes when the Company or a unit transfer agent shall have deposited such certificates in the United States mail, addressed to the optionee, at the address specified in the Notice.

9. Nontransferability of Options.

No Option shall be assignable or transferable by the person to whom it is granted, either voluntarily or by operation of law, except by will or the laws of descent and distribution. During the life of an optionee, an Option shall be exercisable only by the optionee.

10. Termination of Option; Disability; Death. Except as may be otherwise expressly provided in the terms and conditions of the Option Agreement, Options shall terminate on the earliest to occur of:

(i) the date of expiration thereof;

(ii) 0 days after termination of the optionee's employment with, or provision of services to, the Company by the Company for Cause (as hereinafter defined);

(iii) 90 days after the date of voluntary termination of the optionee's employment with, or provision of services to, the Company by the optionee (other than for death or permanent disability as defined below); or

(iv) 90 days after the date of termination of the optionee's employment with, or provision of services to, the Company by the Company without Cause (other than for death or permanent disability as defined below).

Until the date on which the Option so expires, the optionee may exercise that portion of his or her Option which is exercisable at the time of termination of the employment or service relationship.

An employment or service relationship between the Company and the optionee shall be deemed to exist during any period during which the optionee is employed by or providing services to the Company. For the avoidance of doubt, a transfer of an optionee's employment or service relationship with the Company to a parent or subsidiary of the Company as defined in Sections 424(e) and 424(f) of the Code, or from such parent or subsidiary to the Company, shall not constitute termination of an employment or service relationship for purposes of the Plan. Whether an authorized leave of absence or an absence due to military or government service shall constitute termination of the employment or service relationship between the Company and the optionee shall be determined by the Board at the time thereof.

For purposes of this Section 10, the term "Cause" shall mean (a) any material breach by the optionee of any agreement to which the optionee and the Company are both parties, (b) any act (other than retirement) or omission to act by the optionee which may have a material and adverse effect on the Company's business or on the optionee's ability to perform services for the Company, including, without limitation, the commission of any crime (other than minor traffic violations), or (c) any material misconduct or material neglect of duties by the optionee in connection with the business or affairs of the Company. An optionee's employment shall be deemed to have been terminated for Cause if the Company determines within thirty (30) days of the termination of employment (whether such termination was voluntary or involuntary) that termination for Cause was warranted.

In the event of the permanent and total disability or death of an optionee while in an employment or other relationship with the Company, any Option held by such optionee shall terminate on the earlier of the date of expiration of the Option or 180 days following the date of such disability or death. After disability or death, the optionee (or in the case of death, his or her executor, administrator or any person or persons to whom this option may be transferred by will or by laws of descent and distribution) shall have the right, at any time prior to such termination of an Option , to exercise the Option to the extent the optionee was entitled to exercise such Option as of the date of his or her disability or death. An optionee is permanently and totally disabled if he or she is unable to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment which can be expected to last for a

continuous period of not less than 12 months; permanent and total disability shall be determined in accordance with Section 22(e)(3) of the Code and the regulations issued thereunder.

11. Rights as a Member. The holder of an Option shall have no rights as a member with respect to any units covered by the Option (including, without limitation, any rights to receive dividends or non-cash distributions with respect to such units) until the date of issue of a unit certificate to him or her for such units. No adjustment shall be made for dividends or other rights for which the record date is prior to the date such unit certificate is issued.

12. Additional Provisions. The Board of Managers may, in its sole discretion, include additional provisions in Restricted Units Agreements and Option Agreements, including, without limitation, restrictions on transfer, rights of the Company to repurchase units of Restricted Units or Common Units acquired upon exercise of Options, commitments to pay cash bonuses, to make, arrange for or guaranty loans or to transfer other property to optionees upon exercise of Options, or such other provisions as shall be determined by the Board of Managers; *provided that* such additional provisions shall not be inconsistent with any other term or condition of the Plan and such additional provisions shall not be such as to cause any Incentive Common Unit Option to fail to qualify as an Incentive Common Unit Option within the meaning of Section 422 of the Code.

13. Acceleration, Extension, Etc. The Board of Managers may, in its sole discretion, (i) accelerate the date or dates on which all or any particular Option or Options may be exercised or (ii) extend the period or periods of time during which all, or any particular, Option or Options may be exercised.

14. Adjustment Upon Changes in Capitalization

14.1 **No Effect of Options upon Certain Corporate Transactions.** The existence of outstanding Options shall not affect in any way the right or power of the Company to make or authorize any or all adjustments, recapitalizations, reorganizations or other changes in the Company's capital structure or its business, or any merger or consolidation, or any issue of Common Units, or any issue of bonds, debentures, preferred or prior preference units ahead of or affecting the Common Units or the rights thereof, or the dissolution or liquidation of the Company, or any sale or transfer of all or any part of its assets or business, or any other corporate act or proceeding, whether of a similar character or otherwise.

14.2 **Adjustment Provisions.** If, through or as a result of any merger, consolidation, sale of all or substantially all of the assets of the Company, reorganization, recapitalization, reclassification, dividend, split, reverse split or other similar transaction, (i) the outstanding Common Units are increased, decreased or exchanged for a different number or kind of units or other securities of the Company, or (ii) additional units or new or different units or other securities of the Company or other non-cash assets are distributed with respect to such Common Units or other securities, an appropriate and proportionate adjustment shall be made in (x) the maximum number and kind of units reserved for issuance under the Plan, (y) the number and kind of units or other securities subject to any then outstanding Options, and (z) the price for each unit or other security subject to any then outstanding Options, so that upon exercise of such

Options, in lieu of the Common Units for which such Options were then exercisable, the relevant optionee shall be entitled to receive, for the same aggregate consideration, the same total number and kind of units or other securities, cash or property that the owner of an equal number of outstanding Common Units immediately prior to the event requiring adjustment would own as a result of the event. If any such event shall occur, appropriate adjustment shall also be made in the application of the provisions of this Section 14 and Section 15 with respect to Options and the rights of optionees after the event so that the provisions of such Sections shall be applicable after the event and be as nearly equivalent as practicable in operation after the event as they were before the event.

14.3 **No Adjustment in Certain Cases.** Except as hereinbefore expressly provided, the issue by the Company of units of any class, or securities convertible into units of any class, for cash or property or for labor or services, either upon direct sale or upon the exercise of rights or warrants to subscribe therefor, or upon conversion of units or obligations of the Company convertible into such units or other securities, shall not affect, and no adjustment by reason thereof shall be made with respect to, the number or price of Common Units then subject to outstanding options.

14.4 **Board Authority to Make Adjustments.** Any adjustments under this Section 14 will be made by the Board of Managers, whose determination as to what adjustments, if any, will be made and the extent thereof will be final, binding and conclusive. No fractional units will be issued under the Plan on account of any such adjustments.

15. Effect of Certain Transactions

15.1 **General.** Except as provided in any Option Agreement or Restricted Units Agreement to the contrary, if the Company is merged with or into or consolidated with another corporation under circumstances where the members of the Company immediately prior to such merger or consolidation do not own after such merger or consolidation units representing at least fifty percent (50%) of the voting power of the Company or the surviving or resulting corporation, as the case may be, or if units representing fifty percent (50%) or more of the voting power of the Company are transferred to an Unrelated Third Party, as hereinafter defined, or if the Company is liquidated, or sells or otherwise disposes of all or substantially all its assets (each such transaction is referred to herein as a “Change in Control Transaction”), the Board, or the board of directors of any corporation assuming the obligations of the Company, may, in its discretion, take any one or more of the following actions, as to some or all outstanding Options Restricted Units Awards (and need not take the same action as to each such Option or Restricted Units Award): (i) provide that such Options shall be assumed, or equivalent Options shall be substituted, by the acquiring or succeeding corporation (or an affiliate thereof), *provided that* any such Options substituted for Incentive Common Unit Options shall meet the requirements of Section 424(a) of the Code, (ii) upon written notice to the optionees, provide that all unexercised Options (whether vested or unvested) will terminate immediately prior to the consummation of the Change in Control Transaction unless exercised by the optionee to the extent otherwise then exercisable within a specified period following the date of such notice, (iii) upon written notice to the grantees, provide that all unvested units of Restricted Units shall be repurchased at cost,

(iv) make or provide for a cash payment to the optionees equal to the difference between (A) the fair market value of the per unit consideration (whether cash, securities or other property or any combination of the above) the holder of a Common Unit will receive upon consummation of the Change in Control Transaction (the "Per Unit Transaction Price") times the number of Common Units subject to outstanding vested Options (to the extent then exercisable at prices not equal to or in excess of the Per Unit Transaction Price) and (B) the aggregate exercise price of such outstanding vested Options, in exchange for the termination of such Options, or (v) provide that all or any outstanding Options shall become exercisable and all or any outstanding Restricted Units Awards shall vest in part or in full immediately prior to such event. To the extent that any Options are exercisable at a price equal to or in excess of the Per Unit Transaction Price, the Board may provide that such Options shall terminate immediately upon the consummation of the Change in Control Transaction without any payment being made to the holders of such Options. "Unrelated Third Party" shall mean any person who is not, on the date of adoption of this Plan by the Board, a holder of units of any class or preference or any unit option of the Company**.**

15.2 **Substitute Options.** The Company may grant Options in substitution for options held by employees, officers or directors of, or consultants or advisors to, another corporation who become employees, officers or managers of, or consultants or advisors to, the Company, as the result of a merger or consolidation of the employing corporation with the Company or as a result of the acquisition by the Company of property or stock of the employing corporation. The Company may direct that substitute Options be granted on such terms and conditions as the Board considers appropriate in the circumstances.

15.3 **Restricted Units.** In the event of a business combination or other transaction of the type detailed in Section 15.1, any securities, cash or other property received in exchange for units of Restricted Units shall continue to be governed by the provisions of any Restricted Units Agreement pursuant to which they were issued, including any provision regarding vesting, and such securities, cash, or other property may be held in escrow on such terms as the Board of Managers may direct, to insure compliance with the terms of any such Restricted Units Agreement.

16. No Special Employment Rights. Nothing contained in the Plan or in any Option Agreement or Restricted Units Agreement shall confer upon any optionee or holder of Restricted Units any right with respect to the continuation of his or her employment by the Company or interfere in any way with the right of the Company at any time to terminate such employment or to increase or decrease his or her compensation.

17. Other Employee Benefits. The amount of any compensation deemed to be received by an employee as a result of the issuance of units of Restricted Units or the grant or exercise of an Option or the sale of units received upon issuance of a Restricted Units Award or exercise of an Option will not constitute compensation with respect to which any other employee benefits of such employee are determined, including, without limitation, benefits under any bonus, pension, profit-sharing, life insurance or salary continuation plan, except as otherwise specifically determined by the Board of Managers.

18. Amendment of the Plan.

18.1 The Board may at any time, and from time to time, modify or amend in any respect or terminate the Plan. If member approval is not obtained within twelve months after any amendment increasing the number of units authorized under the Plan or changing the class of persons eligible to receive Options under the Plan, no Options granted pursuant to such amendments shall be deemed to be Incentive Common Unit Options and no Incentive Common Unit Options shall be issued pursuant to such amendments thereafter.

18.2 The termination or any modification or amendment of the Plan shall not, without the consent of an optionee or the holder of Restricted Units, adversely affect his or her rights under an Option or Restricted Units Award previously granted to him or her. With the consent of the recipient of Restricted Units or optionee affected, the Board may amend outstanding Restricted Units Agreements or Option Agreements in a manner not inconsistent with the Plan.

19. Withholding. The Company shall have the right to deduct from payments of any kind otherwise due to the optionee or recipient of Restricted Units, any federal, state or local taxes of any kind required by law to be withheld with respect to issuance of any units of Restricted Units or units issued upon exercise of Options. Prior to delivery of any Common Units pursuant to the terms of this Plan, the Board has the right to require that the optionee or recipient of Restricted Units remit to the Company an amount sufficient to satisfy any minimum tax withholding obligation. Subject to the prior approval of the Company, which may be withheld by the Company in its sole discretion, the obligor may elect to satisfy any minimum withholding obligations, in whole or in part, (i) by causing the Company to withhold Common Units otherwise issuable, or (ii) by delivering to the Company a sufficient number of Common Units. The units so withheld shall have a fair market value equal to such minimum withholding obligation. The fair market value of the units used to satisfy such minimum withholding obligation shall be determined by the Company as of the date that the amount of tax to be withheld is to be determined. A person who has made an election pursuant to this Section 19 may only satisfy his or her withholding obligation with Common Units which are not subject to any repurchase, forfeiture, unfulfilled vesting or other similar restrictions.

20. Effective Date and Duration of the Plan.

20.1 **Effective Date.** The Plan shall become effective when adopted by the Board of Managers. If member approval is not obtained within twelve months after the date of the Board's adoption of the Plan, no Options previously granted under the Plan shall be deemed to be Incentive Common Unit Options and no Incentive Common Unit Options shall be granted thereafter. Amendments to the Plan not requiring member approval shall become effective when adopted by the Board. Amendments requiring member approval shall become effective when adopted by the Board, but if member approval is not obtained within twelve months of the Board's adoption of such amendment, any Incentive Common Unit Options granted pursuant to such amendment shall be deemed to be non-statutory Options provided that such Options are authorized by the Plan. Subject to this limitation, Options may be granted under the Plan at any time after the effective date and before the date fixed for termination of the Plan.

20.2 **Termination.** Unless sooner terminated by action of the Board of Managers, the Plan shall terminate upon the close of business on the day next preceding the tenth anniversary of the date of its adoption by the Board of Managers.

21. Provision for Foreign Participants. The Board of Managers may, without amending the Plan, modify the terms of Option Agreements or Restricted Units Agreements to differ from those specified in the Plan with respect to participants who are foreign nationals or employed outside the United States to recognize differences in laws, rules, regulations or customs of such foreign jurisdictions with respect to tax, securities, currency, employee benefit or other matters.

22. Requirements of Law. The Company shall not be required to sell or issue any units under any Option or Restricted Units Award if the issuance of such units shall constitute a violation by the optionee, the Restricted Units Award recipient, or by the Company of any provision of any law or regulation of any governmental authority. In addition, in connection with the Act, the Company shall not be required to issue any units upon exercise of any Option unless the Company has received evidence satisfactory to it to the effect that the holder of such Option will not transfer such units except pursuant to a registration statement in effect under the Act or unless an opinion of counsel satisfactory to the Company has been received by the Company to the effect that such registration is not required in connection with any such transfer. Any determination in this connection by the Board shall be final, binding and conclusive. In the event the units issuable on exercise of an Option are not registered under the Act or under the securities laws of each relevant state or other jurisdiction, the Company may imprint on the certificate(s) appropriate legends that counsel for the Company considers necessary or advisable to comply with the Act or any such state or other securities law. The Company may register, but in no event shall be obligated to register, any securities covered by the Plan pursuant to the Act; and in the event any units are so registered the Company may remove any legend on certificates representing such units. The Company shall not be obligated to take any affirmative action in order to cause the exercise of an Option, the grant of any Restricted Units Award or the issuance of units pursuant thereto to comply with any law or regulation of any governmental authority.

23. Conversion of Incentive Common Unit Options into Non-Qualified Options; Termination. The Board of Managers, with the consent of any optionee, may in its discretion take such actions as may be necessary to convert such optionee's Incentive Common Unit Options (or any installments or portions of installments thereof) that have not been exercised on the date of conversion into non-statutory Options at any time prior to the expiration of such Incentive Common Unit Options, regardless of whether the optionee is an employee of the Company or a parent or subsidiary of the Company at the time of such conversion. At the time of such conversion, the Board of Managers (with the consent of the optionee) may impose such conditions on the exercise of the resulting non-statutory Options as the Board of Managers in its discretion may determine, provided that such conditions shall not be inconsistent with this Plan. Nothing in this Plan shall be deemed to give any optionee the right to have such optionee's Incentive Common Unit Options converted into non-statutory Options, and no such conversion shall occur until and unless the Board of Managers takes appropriate action. The Board of

Managers, with the consent of the optionee, may also terminate any portion of any Incentive Common Unit Option that has not been exercised at the time of such termination.

24. Non-Exclusivity of this Plan; Non-Uniform Determinations. Neither the adoption of this Plan by the Board of Managers nor the approval of this Plan by the members of the Company shall be construed as creating any limitations on the power of the Board of Managers to adopt such other incentive arrangements as it may deem desirable, including, without limitation, the granting of unit options otherwise than under this Plan, and such arrangements may be either applicable generally or only in specific cases.

The determinations of the Board of Managers under this Plan need not be uniform and may be made by it selectively among persons who receive or are eligible to receive Options or Restricted Units Awards under this Plan (whether or not such persons are similarly situated). Without limiting the generality of the foregoing, the Board of Managers shall be entitled, among other things, to make non-uniform and selective determinations, and to enter into non-uniform and selective Option Agreements and Restricted Units Agreements, as to (a) the persons to receive Options or Restricted Units Awards under this Plan, (b) the terms and provisions of Options or Restricted Units Awards, (c) the exercise by the Board of Managers of its discretion in respect of the exercise of Options pursuant to the terms of this Plan, and (d) the treatment of leaves of absence pursuant to Section 10 hereof.

25. Governing Law. This Plan and each Option or Restricted Units Award shall be governed by the laws of The Commonwealth of Massachusetts, without regard to its principles of conflicts of law.

APPENDIX A

TO ASCEND WELLNESS HOLDINGS, LLC 2020 EQUITY INCENTIVE PLAN
FOR CALIFORNIA RESIDENTS ONLY

This Appendix to the Ascend Wellness Holdings, LLC 2020 Equity Incentive Plan (the "Plan") shall have application only to participants in the Plan who are residents of the State of California. Capitalized terms contained herein shall have the same meanings given to them in the Plan, unless otherwise provided in this Appendix. **Notwithstanding any provision contained in the Plan to the contrary and to the extent required by applicable law, the following terms and conditions shall apply to all Options and Restricted Units Awards (collectively "Awards") granted to residents of the State of California, until such time as the Common Units becomes subject to registration under the Securities Act of 1933:**

1. Awards shall be nontransferable other than by will or the laws of descent and distribution. Notwithstanding the foregoing, and to the extent permitted by Section 422 of the Code, the Board, in its discretion, may permit distribution of an Award to an inter vivos or testamentary trust in which the Award is to be passed to beneficiaries upon the death of the trustor (settlor), or by gift to "immediate family" as that term is defined in Rule 16a-1(e) of the United States Exchange Act of 1934.

2. Unless employment is terminated for Cause, the right to exercise an Option in the event of termination of employment, to the extent that the optionee is otherwise entitled to exercise an Option on the date employment terminates, shall be

(a) at least six months from the date of termination of employment if termination was caused by death or permanent disability; and

(b) at least 30 days from the date of termination if termination of employment was caused by other than death or permanent disability;

(c) but in no event later than the remaining term of the Option.

3. Any Award exercised before member approval is obtained shall be rescinded if member approval is not obtained within 12 months of the Board's adoption of the Plan.

CONFIDENTIAL TREATMENT REQUESTED - REDACTED COPY

PURCHASE AND SALE AGREEMENT AND JOINT ESCROW INSTRUCTIONS

ASCEND ATHOL RE LLC
a Massachusetts limited liability company

"SELLER"

AND

IIP OPERATING PARTNERSHIP, LP
a Delaware limited partnership

"BUYER"

January 13, 2019

134 Chestnut Hill Avenue
Athol, Massachusetts

Certain identified information has been omitted from this exhibit because it is not material and would likely cause competitive harm to the registrant if publicly disclosed. [***] indicates that information has been omitted.

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PURCHASE AND SALE AGREEMENT
AND JOINT ESCROW INSTRUCTIONS

TO: [REDACTED]
[REDACTED]
[REDACTED]
Attn: [REDACTED]
TEL: [REDACTED]
E-mail: [REDACTED]

THIS PURCHASE AND SALE AGREEMENT AND JOINT ESCROW INSTRUCTIONS ("Agreement") is made and entered into and effective as of the 13th day of January, 2020, by and between ASCEND ATHOL RE LLC, a Massachusetts limited liability company ("Seller"), and IIP OPERATING PARTNERSHIP, LP, a Delaware limited partnership ("Buyer"), each of whom shall sometimes separately be referred to herein as a "Party" and both of whom shall sometimes collectively be referred to herein as the "Parties." This Agreement constitutes: (a) a binding purchase and sale agreement between Seller and Buyer; and (b) joint escrow instructions to Escrow Agent whose consent appears at the end of this Agreement.

FOR GOOD AND VALUABLE CONSIDERATION RECEIVED, the Parties mutually agree as follows:

ARTICLE 1
CERTAIN DEFINITIONS

In addition to those terms defined elsewhere in this Agreement, the following terms have the meanings set forth below:

"Affiliate" shall mean, with respect to any particular Person, any other Person that, directly or indirectly, through one or more intermediaries, controls, or is controlled by, or is under common control with, such Person. For this purpose, the term "control" shall be deemed satisfied to the extent that there exists direct or indirect ownership representing a minimum fifty-one percent (51%) ownership interest.

"Agreement" shall mean this Purchase and Sale Agreement and Joint Escrow Instructions dated as of the 13th day of January, 2020, by and between Seller and Buyer, together with all Exhibits and Schedules attached hereto.

"ALTA" shall mean American Land Title Association.

"ALTA Extended Coverage Policy" shall have the meaning given such term in Section 8.1(c) hereof.

"Asserted Liability" shall have the meaning given to such term in Section 14.2 hereof.

"Assignment and Assumption of Contracts" shall mean the Assignment and Assumption of Contracts, in the form of Exhibit E attached hereto and incorporated herein by reference.

"Assignment of Permits, Entitlements and Intangible Property" shall mean the Assignment of Permits, Entitlements and Intangible Property, in the form of Exhibit F attached and incorporated herein by reference.

"Assumed Contracts" shall have the meaning given to such term in Section 2.1(e) hereof.

"Bill of Sale" shall mean the Bill of Sale, in the form of Exhibit C attached hereto and incorporated herein by reference.

"Books and Records" shall have the meaning given to such term in Section 2.1(f) hereof.

"Buildings" shall mean the five (5) buildings consisting of approximately one hundred seventy-two thousand seven hundred fourteen (172,714) square feet, together with all related facilities and improvements, comprising the Unit.

"Business Day" shall mean a Calendar Day, other than a Saturday, Sunday or a day observed as a legal holiday by the United States federal government or the Commonwealth of Massachusetts.

"Buyer" shall mean IIP Operating Partnership, LP, a Delaware limited partnership, its successors and assigns.

"Buyer's Election Not to Terminate" shall have the meaning given to such term in Section 4.3 hereof.

"Buyer's Election to Terminate" shall have the meaning given to such term in Section 4.2 hereof.

"Calendar Day" shall mean any day of the week including a Business Day.

"Cash" shall mean legal tender of the United States of America represented by either: (a) currency; (b) a cashier's or certified check or checks currently dated, payable to Escrow Agent or order, and honored upon presentation for payment; or (c) immediately available funds wire transferred or otherwise deposited into Escrow Agent's account at Escrow Agent's direction.

"Certificate of Non-Foreign Status" shall mean that certain Certificate of Non-Foreign Status, in the form of Exhibit D attached hereto and incorporated herein by reference.

"Claims Notice" shall have the meaning given to such term in Section 14.2 hereof.

"Closing" shall have the meaning given to such term in Section 8.4 hereof.

"Closing Date" shall have the meaning given to such term in Section 8.4 hereof.

"Closing Deposit" shall have the meaning given to such term in Section 2.2(c) hereof.

"Code" shall mean the Internal Revenue Code of 1986, as amended, or corresponding provisions of subsequent federal revenue laws.

"Condemnation Proceeding" shall have the meaning given to such term in Section 8.3(a) hereof.

"Condominium Conversion" shall have the meaning given to such term in Section 8.1(o) hereof.

"Condominium Documents" shall mean (a) the Master Deed of Chestnut Hill Avenue Primary Condominium, (b) the By-Laws of Chestnut Hill Avenue Primary Condominium Association; (c) the Site Plan; and (d) any other related documents or instruments required to convert the Project Land to a condominium in accordance with applicable laws.

"Contracts" shall mean all written or oral: (a) insurance, management, leasing, security, janitorial, cleaning, pest control, waste disposal, landscaping, advertising, service, maintenance, operating, repair, collective bargaining, employment, employee benefit, severance, franchise, licensing, supply, purchase, consulting, professional service, advertising, promotion, public relations and other contracts and commitments in any way relating to the Property or any part thereof, together with all supplements, amendments and modifications thereto; and (b) equipment leases and all rights and options of Seller thereunder, together with all supplements, amendments and modifications thereto.

"Cure Notice" shall have the meaning given to such term in Section 4.1(b) hereof.

"Disapproved Title Exceptions" shall have the meaning given to such term in Section 4.1(b) hereof.

"Disapproved Title Exceptions Notice" shall have the meaning given to such term in Section 4.1(b) hereof.

"Eastern Time" shall mean Eastern Standard Time (or Eastern Daylight Savings Time, whichever shall be in effect at the time in question).

"Effective Date" shall mean, provided that this Agreement has been executed and delivered by both Buyer and Seller, the later of (a) the date this Agreement is executed and delivered by Buyer or (b) the date this Agreement is executed and delivered by Seller, as such dates appear after each Party's signature herein below.

"Environmental Laws" shall mean all present and future federal, state or local laws, ordinances, codes, statutes, regulations, administrative rules, policies and orders, and other authorities, which relate to the environment and/or which classify, regulate, impose liability, obligations, restrictions on ownership, occupancy, transferability or use of the Real Property, and/or list or define hazardous substances, materials, wastes, contaminants, pollutants and/or the Hazardous Materials including, without limitation, the Comprehensive Environmental Response, Compensation and Liability Act of 1980, 42 U.S.C. Section 9601, *et seq.*, as now or hereafter amended; the Resources Conservation and Recovery Act, 42 U.S.C. Section 6901, *et seq.*, as now or hereafter amended; the Hazardous Materials Transportation Act, 49 U.S.C. Section 1801, *et seq.*, as now or hereafter amended; the Clean Water Act, 33 U.S.C. Section 1251, *et seq.*, as now or hereafter amended; the Clean Air Act, 42 U.S.C. Section 7901, *et seq.*, as now or hereafter amended; the Toxic Substance Control Act, 15 U.S.C. Sections 2601 through 2629, as now or hereafter amended; the Public Health Service Act, 42 U.S.C. Sections 300f through 300j, as now or hereafter amended; the Safe Drinking Water Act, 42 U.S.C. Sections 300f through 300j, as now or hereafter amended; the Occupational Safety and Health Act, 29 U.S.C. Section 651, *et seq.*, as now or hereafter amended; the Oil Pollution Act, 33 U.S.C. Section 2701, *et seq.*, as now or hereafter amended; the Emergency Planning and Community Right-to-Know Act, 42 U.S.C. Section 11001, *et seq.*, as now or hereafter amended; the National Environmental Policy Act, 42 U.S.C. Section 4321, *et seq.*, as now or hereafter amended; the Federal Insecticide, Fungicide and Rodenticide Act, 15 U.S.C. Section 136, *et seq.*, as now or hereafter amended; the Medical Waste Tracking Act, 42 U.S.C. Section 6992, as now or hereafter amended; the Atomic Energy Act of 1985, 42 U.S.C. Section 3011, *et seq.*, as now or hereafter amended; and any similar federal, state or local laws and ordinances and the regulations now or hereafter adopted, published and/or promulgated pursuant thereto and other state and federal laws relating to industrial hygiene, environmental protection or the use, analysis, generation, manufacture, storage, disposal or transportation of any Hazardous Materials.

"Escrow" shall have the meaning given to such term in Article 3 hereof.

"Escrow Agent" shall have the meaning given to such term in the preamble of this Agreement.

"Excluded Property" means the items described on Schedule 3.0 attached hereto and incorporated by reference herein.

"Guarantor" shall mean Ascend Wellness Holdings, LLC, a Delaware limited liability company.

"Guaranty" shall mean the Guaranty in the form attached as Exhibit E to the Lease.

"General Provisions" shall have the meaning given to such term in Article 3 hereof.

"Hazardous Materials" shall mean all hazardous wastes, toxic substances, pollutants, contaminants, radioactive materials, flammable explosives, other such materials, including, without limitation, substances defined as "hazardous substances," "hazardous wastes," "hazardous materials," "toxic substances," "toxic pollutants," "petroleum substances," or "infectious waste" in any applicable laws or regulations including, without limitation, the Environmental Laws, and any material present on the Real Property that has been shown to have significant adverse effects on human health including, without limitation, radon, pesticides, asbestos, polychlorinated biphenyls, urea formaldehyde foam insulation, petroleum products (including any products or by-products therefrom), lead-based

paints and any material containing or constituting any of the foregoing, and any such other substances, materials and wastes which are or become regulated by reason of actual or threatened risk of toxicity causing injury or illness, under any Environmental Laws or other applicable federal, state or local law, statute, ordinance or regulation, or which are classified as hazardous or toxic under current or future federal, state or local laws or regulations.

"Improvements" shall mean all buildings, structures, fixtures, trade fixtures, systems, facilities, machinery, equipment and conduits that provide fire protection, security, heat, exhaust, ventilation, air conditioning, electrical power, light, plumbing, refrigeration, gas, sewer and water thereto (including all replacements or additions thereto) and other improvements now or hereafter comprising or situated within the Unit, including, but not limited to the Buildings, together with all water control systems, utility lines and related fixtures and improvements, drainage facilities, landscaping improvements, fencing, roadways and walkways, and all privileges, rights, easements, hereditaments and appurtenances thereto belonging.

"Indemnitees" shall have the meaning given to such term in Section 14.1 hereof.

"Independent Consideration" shall have the meaning given to such term in Section 2.2(b) hereof.

"Initial Deposit" shall have the meaning given to such term in Section 2.2(a) hereof.

"Intangible Property" shall have the meaning given to such term in Section 2.1(c) hereof.

"Investigation Period" shall have the meaning given to such term in Section 4.1 hereof.

"Joiner" shall have the meaning given to such term in Section 15.16 hereof.

"Lease" shall mean the Lease, in the form of Exhibit H attached hereto and incorporated herein by reference.

"Losses" shall have the meaning given to such term in Section 14.1 hereof.

"Material Loss" shall mean any damage, loss or destruction to any portion of the Real Property, the loss of which is equal to or greater than Fifty Thousand Dollars ($50,000.00) (measured by the cost of repair or replacement).

"Monetary Obligations" shall mean any and all liens, liabilities and encumbrances placed, or caused to be placed, of record against the Real Property evidencing a monetary obligation which can be removed by the payment of money, including, without limitation, delinquent real property taxes and assessments, deeds of trust, mortgages, mechanic's liens, attachment liens, execution liens, tax liens and judgment liens. Notwithstanding the foregoing, the term "Monetary Obligations" shall not include and shall specifically exclude the liens, liabilities and encumbrances relating to the Permitted Title Exceptions and any matters caused by any act or omission of Buyer, or its agents or representatives.

"New Title Exceptions" shall have the meaning given to such term in Section 4.1(c) hereof.

"New Title Exceptions Approval Notice" shall have the meaning given to such term in Section 4.1(c) hereof.

"Non-Material Loss" shall mean damage, loss or destruction to any portion of the Real Property, the loss of which is less than Fifty Thousand Dollars ($50,000.00) (measured by the cost of repair or replacement).

"Notice" shall have the meaning given to such term in Section 15.2 hereof.

"Notice of Loss" shall have the meaning given to such term in Section 14.2(c) hereof.

"OFAC" shall have the meaning given to such term in Section 9.17 hereof.

"Party" or "Parties" shall have the meaning given to such terms in the Preamble of this Agreement.

"Permits and Entitlements" shall have the meaning given to such term in Section 2.1(e) hereof.

"Permitted Title Exceptions" shall have the meaning given to such term in Section 4.1(b) hereof.

"Person" shall mean any individual, corporation, partnership, limited liability company or other entity.

"Personal Property" shall have the meaning given to such term in Section 2.1(b) hereof.

"Preliminary Title Report" shall have the meaning given to such term in Section 4.1(b) hereof.

"Project Land" shall mean those certain parcels of real property located in the City of Athol, County of Worcester, Commonwealth of Massachusetts, the legal description of which is set forth on Exhibit A-2 attached hereto and incorporated herein by reference.

"Property" shall have the meaning given to such term in Section 2.1 hereof.

"Proration Date" shall have the meaning given to such term in Section 11.2(a) hereof.

"Purchase Price" shall have the meaning given to such term in Section 2.2 hereof.

"Real Property" shall have the meaning given to such term in Section 2.1(a) hereof.

"Seller" shall mean Ascend Athol RE LLC, a Massachusetts limited liability company.

"Seller's Deed" shall mean the Quitclaim Deed, in the form of Exhibit B attached hereto and incorporated herein by reference.

"Seller's Deliveries" shall have the meaning given to such term in Section 4.1(a) hereof.

"Site Plan" shall mean that certain site plan set forth on Exhibit A-1 attached hereto and incorporated herein by reference, as the same may be amended with Buyer’s written approval.

"Survey" shall have the meaning given to such term in Section 4.1(b) hereof.

"Taxes" shall have the meaning given to such term in Section 11.2(a)(iii) hereof.

"Tenant" shall mean MassGrow, LLC, a Massachusetts limited liability company.

"Title Insurer" shall mean a title company reasonably acceptable to Buyer.

"Transaction Documents" shall mean Seller's Deed, the Bill of Sale, the Certificate of Non-Foreign Status, the Assignment and Assumption of Contracts, the Assignment of Permits, Entitlements and Intangible Property and all other instruments or agreements to be executed and delivered pursuant to this Agreement or any of the foregoing.

"Unit" shall mean Unit 2 as shown on the Site Plan, together with an undivided ownership interest in the General Common Elements (as defined in the Condominium Documents) and any applicable Limited Common Elements (as defined in the Condominium Documents).

ARTICLE 2
PURCHASE, PURCHASE PRICE AND PAYMENT

Section 2.1 **Purchase and Sale of Property.** Subject to the terms and conditions set forth in this Agreement, on the Closing, Seller shall sell, convey, assign, transfer and deliver to Buyer, and Buyer shall purchase from Seller, all of the following property (collectively, the "Property"):

(a) Real Property. The Unit and the Improvements, together with all of Seller's right, title and interest in, to and under: (i) all easements, rights-of-way, development rights, entitlements, air rights and appurtenances relating or appertaining to the Unit and/or the Improvements; (ii) all water rights applicable to the Unit and/or the Improvements; (iii) all sewer, septic and waste disposal rights and interests applicable or appurtenant to or used in connection with the Unit and/or the Improvements; (iv) all rights to minerals, oil, gas and other hydrocarbons appurtenant to the Unit; and (v) all rights now or hereafter appurtenant to the Unit with respect to the streets, roads, alleys or other public ways adjoining or serving the Project Land, including any land lying in the bed of any street, road, alley or other public way, open or proposed, and any strips, gaps, gores, culverts and rights of way adjoining or serving the Project Land, free and clear of any and all liens, liabilities, encumbrances, exceptions and claims, other than the Permitted Title Exceptions (collectively, the "Real Property").

(b) Personal Property. All equipment, facilities, machinery, tools, appliances, fixtures, furnishings, furniture, paintings, sculptures, art, inventories, supplies, computer equipment and systems, telephone equipment and systems, satellite dishes and related equipment and systems, security equipment and systems, fire prevention equipment and systems, and all other items of tangible personal property owned by Seller and located on or about the Real Property or used in conjunction therewith, free and clear of any and all liens, liabilities, encumbrances, exceptions and claims, other than the Assumed Contracts, but excluding therefrom the Excluded Property (collectively, the "Personal Property").

(c) Intangible Property. All of Seller's right, title and interest in and to all intangible personal property not otherwise described in this Section 2.1 and relating to the Property or the business of owning, operating, maintaining and/or managing the Property, including, without limitation: (i) all warranties, guarantees and bonds from third parties, including, without limitation, contractors, subcontractors, materialmen, suppliers, manufacturers, vendors and distributors; (ii) all deposits, reimbursement rights, refund rights, receivables and other similar rights from any governmental or quasi-governmental agency; and (iii) all liens and security interests in favor of Seller, together with any instruments or documents evidencing same, to the extent related to the Unit and related Property (collectively, the "Intangible Property").

(d) Assumed Contracts. All contracts, leases and agreements relating to the business, management and operations of the Property which Buyer has expressly agreed to assume in writing upon the Closing pursuant to a written notice by Buyer delivered to Seller prior to the expiration of the Investigation Period (collectively, the "Assumed Contracts"). In the event Buyer fails to deliver to Seller Buyer's written election to assume one or more of the Contracts pursuant to this Section 2.1(d), such failure shall be deemed to constitute Buyer's election not to assume any of the Contracts.

(e) Permits and Entitlements. Solely to the extent they are transferable, all of Seller's right, title and interest in, to and under: (i) all permits, licenses, certificates of occupancy, approvals, authorizations and orders obtained from any governmental authority and relating to the Real Property or the business of owning, maintaining and/or managing the Real Property, including, without limitation, all land use entitlements, development rights, density allocations, certificates of occupancy, sewer hook-up rights and all other rights or approvals relating to or authorizing the ownership, operation, management and/or development of the Real Property (including but not limited all such rights or approvals necessary and appropriate for the Permitted Use (as defined in the Lease)); (ii) all preliminary and final drawings, renderings, blueprints, plans and specifications (including "as-built" plans and specifications), and tenant improvement plans and specifications for the Improvements (including "as-built" tenant improvement plans and specifications); (iii) all maps and surveys for any portion of the Real Property; (iv) all items constituting the Seller's Deliveries; and (v) any and all other items of the same or similar nature pertaining to the Real Property, and all changes, additions, substitutions and replacements for any of the

foregoing, free and clear of any and all liens, liabilities, encumbrances, exceptions and claims, but excluding therefrom the Excluded Property (collectively, the "Permits and Entitlements").

(f) Books and Records. All books and records relating to the business of owning, operating, maintaining and/or managing the Property, including, without limitation, all accounting records, financial records, profit and loss statements and/or statements of expenses of incomes and liabilities, and reports of a similar nature and other records related to the Building, but excluding any documents or information which are deemed in good faith by Seller to be confidential or proprietary (collectively, the "Books and Records).

Section 2.2 Purchase Price. The purchase price for the Property ("Purchase Price") shall be the sum of Eight Million Dollars ($8,000,000.00). The Purchase Price shall be payable by Buyer to Seller in accordance with the following terms and conditions:

(a) Initial Deposit. Within three (3) Business Days following the Effective Date, Buyer shall deposit into Escrow the sum of Five Hundred Thousand Dollars ($500,000), in the form of Cash, which amount shall serve as an earnest money deposit ("Initial Deposit"). Buyer may direct Escrow Agent to invest the Initial Deposit in one or more interest bearing accounts with a federally insured state or national bank designated by Buyer and approved by Escrow Agent. Subject to the applicable termination and default provisions contained in this Agreement: (i) the Initial Deposit shall remain in Escrow prior to the Closing; (ii) upon the Closing, the Initial Deposit shall be applied as a credit towards the payment of the Purchase Price; and (iii) all interest that accrues on the Initial Deposit while in Escrow Agent's control shall belong to Buyer. Buyer shall complete, execute and deliver to Escrow Agent a W-9 Form, stating Buyer's taxpayer identification number at the time of delivery of the Initial Deposit. All references in this Agreement to the "Initial Deposit" shall mean the Initial Deposit and any and all interest that accrues thereon while in Escrow Agent's control.

(b) Independent Consideration. Concurrently with Buyer's delivery of the Initial Deposit, Buyer shall deposit into Escrow the additional sum of One Hundred Dollars ($100.00) as independent consideration for Seller's execution of this Agreement (the "Independent Consideration"). Such Independent Consideration shall be non-refundable to Buyer under all circumstances, and upon the Closing, the Independent Consideration, together with all interest that accrues on the Independent Consideration while in Escrow Agent's control, shall be applied as a credit towards the payment of the Purchase Price.

(c) Closing Deposit. The Purchase Price less the Initial Deposit ("Closing Deposit"), shall be paid by Buyer to Escrow Agent, in the form of Cash, pursuant to Section 7.1 hereof, and distributed by Escrow Agent to Seller on the Closing in accordance with the provisions of Section 12.1(c) hereof.

ARTICLE 3
ESCROW

Within three (3) Business Days following the Effective Date, Seller and Buyer shall open an escrow ("Escrow") with Escrow Agent by: (a) Buyer depositing with Escrow Agent the Initial Deposit; and (b) Seller and Buyer delivering to Escrow Agent fully executed counterpart originals of this Agreement and fully executed counterpart originals of Escrow Agents' general provisions, which are attached hereto as Exhibit G ("General Provisions"). The date of such delivery shall constitute the opening of Escrow and upon such delivery, this Agreement shall constitute joint escrow instructions to Escrow Agent, which joint escrow instructions shall supersede all prior escrow instructions related to the Escrow, if any. Seller and Buyer hereby agree to promptly execute and deliver to Escrow Agent any additional or supplementary escrow instructions as may be necessary or convenient to consummate the transactions contemplated by this Agreement; provided, however, that neither the General Provisions, nor any such additional or supplemental escrow instructions shall supersede this Agreement, and in all cases this Agreement shall control, unless the General Provisions or such additional or supplemental escrow instructions expressly provide otherwise.

ARTICLE 4
INVESTIGATION PERIOD; VOLUNTARY TERMINATION; TITLE

Section 4.1 **Investigation Period.** During the time period commencing upon the Effective Date of this Agreement, and terminating at 11:00 p.m. Eastern Time on the date that is thirty (30) Calendar Days after the Effective Date (the "Investigation Period"), Buyer shall have the right to conduct and complete an investigation of all matters pertaining to the Property and Buyer's purchase thereof including, without limitation, the matters described in this Section 4.1.

(a) Seller's Deliveries. Within three (3) Calendar Days following the Effective Date of this Agreement, Seller, at Seller's expense, shall cause to be delivered to Buyer, to the extent within its possession or reasonable control, true, correct and complete copies of all documents, agreements and other information relating to the Property listed on Schedule 1.0 attached hereto and incorporated herein by reference (collectively, the "Seller's Deliveries"). Seller will promptly deliver to Buyer true, correct and complete copies of any supplements and/or updates of Seller's Deliveries to the extent such items are received by Seller prior to Closing. During the Investigation Period, Buyer shall have the right to conduct and complete an investigation of all matters pertaining to Seller's Deliveries and all other matters pertaining to the Property and Buyer's acquisition thereof. In this regard, Buyer shall have the right to contact the Seller's management, governmental agencies and officials and other parties and make reasonable inquiries concerning Seller's Deliveries and any and all other matters pertaining to the Property. Seller agrees to reasonably cooperate with Buyer in connection with Buyer's investigation of Seller's Deliveries and all other matters pertaining to the Property.

(b) Preliminary Title Report/Survey. On or before (i) the expiration of five (5) Business Days following the Effective Date, Seller shall cause to be delivered to Buyer a current preliminary title report covering the Real Property, together with copies of all documents referred to as exceptions therein ("Preliminary Title Report"), from Title Insurer; and (ii) the Closing Date, Buyer shall cause a current ALTA Survey of the Real Property to be prepared by a surveyor licensed under the laws of the state where the Real Property is located, which ALTA Survey shall be in form and substance reasonably satisfactory to Buyer, and which ALTA survey shall be prepared in accordance with the 2011 ALTA/ACSM Minimum Standard Detail Requirements with such Table A items selected by Buyer and any other standards of Buyer ("Survey"). Not later than 8:00 p.m. Eastern Time on the date that is four (4) Business Days before expiration of the Investigation Period, Buyer shall have the right to notify Seller in writing ("Disapproved Title Exceptions Notice") of Buyer's disapproval of any matters set forth in the Preliminary Title Report and the Survey ("Disapproved Title Exceptions"). In the event Buyer timely delivers to Seller a Disapproved Title Exceptions Notice, Seller shall have the right, but not the obligation (except with respect to Disapproved Title Exceptions that constitute Monetary Obligations, as set forth below), to agree to cure one or more of the Disapproved Title Exceptions by giving Buyer written notice ("Cure Notice") of such election not later than 8:00 p.m. Eastern Time on the date that is two (2) Business Days before expiration of the Investigation Period. Following the timely receipt of a Disapproved Title Exceptions Notice from Buyer, if Seller fails to timely deliver a Cure Notice to Buyer, then Seller shall be deemed to have elected not to cure any of the Disapproved Title Exceptions. A Disapproved Title Exception shall be deemed to have been cured if Seller causes such item to be removed from the record title of the Real Property and not listed as a title exception in Schedule B of the ALTA Extended Coverage Policy prior to the Closing or otherwise cures such Disapproved Title Exception as determined by Buyer in Buyer's sole and absolute discretion.

In the event Seller timely elects (or is deemed to have timely elected) not to cure the Disapproved Title Exceptions, then prior to the expiration of the Investigation Period, Buyer may elect: (i) to terminate this Agreement and the Escrow pursuant to the provisions of Section 4.2 hereof; or (ii) to not terminate this Agreement and the Escrow pursuant to Section 4.3 hereof, in which case those Disapproved Title Exceptions which are not cured and which are not Monetary Obligations which Seller is obligated to cure on or before the Closing pursuant to Section 5.1(f) hereof, shall be deemed to constitute Permitted Title Exceptions.

Following the timely receipt of a Disapproved Title Exceptions Notice from Buyer, if Seller elects to cure one or more of the Disapproved Title Exceptions, then Seller shall have until the last Business Day immediately preceding the Closing Date to cure the applicable Disapproved Title Exceptions. In the event Seller: (A) timely

elects to cure the Disapproved Title Exceptions; and (B) fails to timely cure any Disapproved Title Exceptions that Seller has elected to cure on or before the Closing Date, then Seller shall be in default under this Agreement and, in such a case, at any time on or before the Closing Date, Buyer may elect to either: (1) continue this Agreement in effect without modification and purchase and acquire the Property in accordance with the terms and conditions of this Agreement, subject to such Disapproved Title Exceptions (which will be deemed to constitute "Permitted Title Exceptions"); or (2) terminate this Agreement and the Escrow pursuant to the provisions of Section 8.6(a) hereof. Notwithstanding any provision in the Agreement to the contrary, pursuant to Section 5.1(e) hereof, Seller shall be obligated to cure all Monetary Obligations on or before the Closing.

Fee title to the Real Property shall be conveyed by Seller to Buyer subject only to the following exceptions to title (collectively, the "Permitted Title Exceptions"):

(i) Non-delinquent real and personal property taxes and assessments;

(ii) The lien of supplemental taxes, if any;

(iii) Any lien imposed by Buyer;

(iv) The possessory rights of Tenant under the Lease;

(v) The recordable Condominium Documents;

(vi) Any matters set forth in the Preliminary Title Report and the Survey that are approved or waived by Buyer in accordance with the procedures and within the time periods set forth in Section 4.1(b) hereof; and

(vii) All New Title Exceptions approved by Buyer pursuant to Section 4.1(c) hereof.

(c) New Title Exceptions. In the event that prior to the Closing, any new title exceptions are discovered by or revealed to Seller, which new title exceptions were not otherwise set forth or referred to in the Preliminary Title Report ("New Title Exceptions"), Seller shall deliver written notice to Buyer disclosing the existence of such New Title Exceptions, together with copies of all underlying documents. Each such New Title Exception shall be deemed to constitute a Disapproved Title Exception except to the extent Buyer gives Seller written notice of Buyer's approval ("New Title Exceptions Approval Notice") of one or more New Title Exceptions within five (5) Business Days (but in no event later than the Closing Date, which date shall be extended to allow for delivery of the New Title Exceptions Approval Notice two (2) Business Days prior to Closing) after the date of Buyer's receipt of Seller's written notice of the existence of such New Title Exceptions. In the event Buyer timely delivers to Seller a New Title Exceptions Approval Notice, those New Title Exceptions approved by Buyer pursuant to the New Title Exceptions Approval Notice shall be deemed to constitute Permitted Title Exceptions and the remaining New Title Exceptions shall continue to constitute Disapproved Title Exceptions. Seller shall cause all New Title Exceptions which are not approved by Buyer pursuant to a New Title Exceptions Approval Notice (and which are therefore deemed to constitute Disapproved Title Exceptions) to be cured on or before the last Business Day immediately preceding the Closing Date. A New Title Exception shall be deemed to have been cured if Seller causes such item to be removed from record title to the Real Property and not listed as a title exception in Schedule B of the ALTA Extended Coverage Policy prior to the Closing or otherwise cures such New Title Exception as determined by Buyer in Buyer's sole and absolute discretion.

In the event Seller does not timely cure one or more of those New Title Exceptions which are deemed to constitute Disapproved Title Exceptions, then Buyer may elect, at any time on or before the Closing Date, to either: (A) continue this Agreement in effect without modification and purchase and acquire the Property in accordance with the terms and conditions of this Agreement, subject to such New Title Exceptions (which will be deemed to constitute "Permitted Title Exceptions"); or (B) terminate this Agreement and the Escrow pursuant to the provisions of Section 8.6(a) hereof. Notwithstanding any provision in this Agreement to the contrary, in no event shall the term

"Permitted Title Exceptions" include any Monetary Obligations, and Seller hereby agrees to and shall remove all Monetary Obligations on or before the Closing.

(d) Physical Inspection. Subject to the limitations set forth in this Section 4.1(d), during the Investigation Period, Buyer shall have the right, at Buyer's expense and with the prior written consent of Seller, which consent shall not be unreasonably withheld, conditioned or delayed and may be provided via electronic mail, to make inspections (including tests, surveys and other studies) of the Real Property and all matters relating thereto, including, but not limited to, soils and geologic conditions, location of property lines, utility availability and use restrictions, environmental conditions, the manner or quality of the construction of the Improvements, the habitability, merchantability, marketability, profitability or fitness for a particular purpose of the Real Property, the effect of applicable planning, zoning and subdivision statutes, ordinances, regulations, restrictions and permits, the character and amount of any fees or charges that must be paid to further develop, improve and/or occupy the Real Property and all other matters relating to the Real Property. During the Investigation Period, Buyer and its agents, contractors and subcontractors shall have the right to enter upon the Real Property, at reasonable times during ordinary business hours and upon reasonable prior notice, to make inspections and tests as Buyer deems reasonably necessary and which may be accomplished without causing any material damage to the Real Property. Buyer shall return and restore the Real Property to substantially its original physical condition immediately prior to such inspections or tests. Buyer shall provide Seller evidence of its commercial general liability insurance policy covering it and/or any of its agents prior to accessing the Real Property, and provide a minimum of twenty-four (24) hours' notice to Seller to request access of the Real Property.

(e) Investigation of Permits and Entitlements, Contracts, Intangible Property, Personal Property and Other Property. During the Investigation Period, Buyer shall have the right, at Buyer's expense, to conduct and complete an investigation of all matters pertaining to the Permits and Entitlements, Contracts, Intangible Property, Personal Property and all other items of Property and Buyer's acquisition thereof. In this regard, at all times prior to the Closing, Buyer shall have the right to contact governmental officials and other parties and make reasonable inquiries concerning the Permits and Entitlements, Contracts, Intangible Property, Personal Property and all other items of Property, and Buyer shall have no liability whatsoever arising from its investigation, unless due to its gross negligence or intentional misconduct. Seller agrees to reasonably cooperate with Buyer in connection with its investigation of the Permits and Entitlements, Contracts, Intangible Property, Personal Property and all other matters pertaining thereto.

(f) Investigation of Tenant and any Guarantor. During the Investigation Period, Buyer shall have the right, at Buyer's expense, to conduct and complete an investigation of Seller, Tenant and Guarantor, including but not limited to discussions with Seller's, Tenant's or any Guarantor's management, and diligence relating to Seller's, Tenant's or Guarantor's financial information, business, prospects, compliance with applicable laws and regulations and any other matters that Buyer, in its sole discretion, deems appropriate.

In the event Buyer disapproves or finds unacceptable, in Buyer's sole and absolute discretion, any matters reviewed by Buyer during the Investigation Period or for any other reason or no reason, Buyer may elect to terminate this Agreement and the Escrow pursuant to the provisions of Section 4.2 hereof.

Section 4.2 Election to Terminate. In the event Buyer desires to terminate this Agreement and the Escrow for any reason or for no reason whatsoever, Buyer may elect to terminate this Agreement and the Escrow at any time: (a) by giving Seller written notice of Buyer's election to terminate this Agreement and the Escrow ("Buyer's Election to Terminate"), not later than 11:00 p.m. Eastern Time on the date of expiration of the Investigation Period; and/or (b) by failing to timely deliver to Seller Buyer's Election Not to Terminate pursuant to Section 4.3 hereof, which failure shall be deemed to constitute Buyer's delivery of Buyer's Election to Terminate this Agreement and the Escrow pursuant to this Section 4.2.

Upon any election (including any deemed election) by Buyer to terminate this Agreement and the Escrow pursuant to this Section 4.2, this Agreement shall automatically terminate (other than those provisions which expressly provide that they survive any termination of this Agreement). Within two (2) Business Days after Buyer delivers Buyer's Election to Terminate to Seller pursuant to this Section 4.2 (or within two (2) Business Days after

Buyer is deemed to have elected to terminate this Agreement and the Escrow pursuant to this Section 4.2, as applicable), and without the need of any further authorization or consent from Seller, Escrow Agent shall cause to be paid to Buyer the Initial Deposit. Seller and Buyer shall execute such cancellation instructions as may be necessary to effectuate the cancellation of the Escrow, as may be required by Escrow Agent. Any escrow cancellation, title costs (including cancellation costs) or other cancellation costs in connection therewith shall be borne by Seller.

Section 4.3 Confidentiality; Public Announcements.

(a) Buyer's Obligations. Buyer shall treat all of Seller's Deliveries as confidential and proprietary information of Seller. Buyer shall hold such information in confidence and shall not disclose such information or materials to any third-parties other than Title Insurer, Escrow Agent and Buyer's attorneys, employees, agents, consultants, contractors, subcontractors, accountants, investors and lenders as deemed reasonably necessary or appropriate by Buyer in Buyer's discretion. The covenants of Buyer set forth in this Section 4.4 shall not apply to any confidential information that: (a) is, or subsequently becomes, part of the public domain other than as a result of a breach of this Agreement by Buyer; (b) was communicated to Buyer from other sources at the time of disclosure by Seller to Buyer and such prior knowledge can be reasonably demonstrated by Buyer; and/or (c) is required by law to be disclosed, including applicable securities laws. Nothing contained herein shall preclude Buyer from disclosing all or any portion of such confidential information or materials: (1) pursuant to or in connection with a judicial order, governmental inquiry, subpoena, or other legal process; (2) as necessary or appropriate in connection with, or in order to prevent, an audit; and/or (3) in order to initiate, defend or otherwise pursue legal proceedings between the Parties in connection with this Agreement. The covenants and agreements of Buyer set forth in this Section 4.4(a) hereof shall terminate and no longer be of any force or effect as of the Closing.

(b) Public Announcements. Neither Seller, nor any of Seller's Affiliates, successors or assigns, shall make any public announcements regarding the existence of this Agreement, the terms of this Agreement and/or the transactions contemplated herein without the prior written approval of Buyer, which approval may be granted or withheld in the sole and absolute discretion of Buyer. Seller further agrees that (1) Buyer may file this Agreement and other documents evidencing the transactions contemplated herein, including a description of the material terms thereof, with the Securities and Exchange Commission without the prior approval of Seller, to the extent deemed necessary or advisable in Buyer's reasonable discretion; and (2) Buyer may issue one or more press releases regarding this Agreement and/or the transactions contemplated herein, to the extent deemed advisable in Buyer's reasonable discretion. The covenants and agreements of Seller set forth in this Section 4.4(b) hereof shall survive the Closing indefinitely.

Section 4.4 Election Not to Terminate. In the event Buyer desires not to terminate this Agreement and the Escrow, on or before 11:00 p.m. Eastern Time on the date of expiration of the Investigation Period, Buyer shall deliver written notice to Seller of Buyer's election not to terminate this Agreement and the Escrow ("Buyer's Election Not to Terminate"). In the event Buyer fails to timely deliver to Seller Buyer's Election Not to Terminate in accordance with the provisions of this Section 4.4, such failure shall be deemed to constitute Buyer's delivery of Buyer's Election to Terminate this Agreement and the Escrow in accordance with the terms and conditions of Section 4.2 hereof.

ARTICLE 5
PRE-CLOSING OBLIGATIONS OF SELLER AND BUYER

Section 5.1 Seller's Pre-Closing Obligations. Seller hereby covenants and agrees as follows:

(a) Operations. During the time period commencing upon the Effective Date and terminating upon the Closing or the earlier termination of this Agreement, subject to the provisions of Section 8.3 hereof, Seller shall operate and manage the Real Property substantially in accordance with its customary practices as of the Effective Date.

(b) Maintenance. During the time period commencing upon the Effective Date and terminating upon the Closing or the earlier termination of this Agreement, subject to the provisions of Section 8.3 hereof, Seller shall maintain the Real Property in substantially its present condition as of the Effective Date, subject to normal wear and tear, and Seller shall not diminish the quality or quantity of maintenance and upkeep services heretofore provided to the Real Property.

(c) Notices/Violations. During the time period from the Effective Date to the Closing or earlier termination of this Agreement, Seller shall promptly deliver to Buyer any and all notices and/or other written communications delivered to or received from: (i) any party under any of the Contracts; and/or (ii) any governmental authority. During the time period from the Effective Date to the Closing or earlier termination of this Agreement, Seller shall deliver to Buyer prompt notice of: (A) the occurrence of any inspections of the Property by any governmental authority; (B) any actual or alleged default by a party under any Contract; (C) any notices of violations of laws, ordinances, orders, directives, regulations or requirements issued by, filed by or served by any governmental agency against or affecting Seller, Tenant, Guarantor or any part or aspect of the Property.

(d) Assumed Contracts. During the time period commencing upon the Effective Date and terminating upon the Closing or the earlier termination of this Agreement, subject to the provisions of Section 8.3 hereof, Seller shall administer and timely perform all of its material obligations under the Contracts. Furthermore, during the time period commencing upon the date of delivery (or deemed delivery) by Buyer to Seller of Buyer's Election Not to Terminate pursuant to Section 4.3 hereof and terminating on the Closing or the earlier termination of this Agreement, as applicable, Seller shall not terminate, amend or modify any of the Assumed Contracts or enter into any new Contract, without the prior written consent of Buyer in each instance, which consent may be granted or withheld in Buyer's sole discretion. Seller agrees that, except for the Assumed Contracts, prior to the Closing, Seller shall be responsible for terminating all Contracts and other obligations (including, but not limited to, any and all management, listing and/or leasing agreements) relating to the maintenance, operation, management and/or leasing of the Property, and Seller shall be liable for any risks, costs and penalties related to such termination.

(e) Monetary Obligations. Seller shall pay and satisfy in full any and all Monetary Obligations on or before the Closing Date.

(f) New Liens, Liabilities or Encumbrances. Seller shall not cause, grant or permit any new liens, liabilities, encumbrances or exceptions to title to the Property or amend any existing title exceptions without the prior written consent of Buyer in each instance, which consent may be granted or denied in the sole and absolute discretion of Buyer.

(g) Termination of Negotiations. Seller shall terminate all negotiations with any other Person other than Buyer for the sale or disposition of the Property.

Section 5.2 Entity Maintenance. For a minimum of thirteen (13) months following the Closing, Seller shall not dissolve or liquidate and shall remain an active entity in good standing in the Commonwealth of Massachusetts.

ARTICLE 6
SELLER'S DELIVERIES

Section 6.1 Seller's Deliveries to Escrow Agent at Closing. On or before 5:00 p.m. Eastern Time on the last Business Day prior to the Closing Date, Seller shall deliver or cause to be delivered to Escrow Agent the items described in this Section 6.1.

(a) Seller's Deed. One (1) original of Seller's Deed, duly executed and acknowledged by Seller. Pursuant to Section 12.1(a) hereof, all documentary transfer tax information shall be affixed to Seller's Deed after recordation.

(b) Bill of Sale. One (1) original of the Bill of Sale, duly executed by Seller.

(c) Certificate of Non-Foreign Status. One (1) original of the Certificate of Non-Foreign Status, duly executed and acknowledged by Seller.

(d) Assignment and Assumption of Contracts. If there are any Assumed Contracts, two (2) counterpart originals of the Assignment and Assumption of Contracts, duly executed by Seller.

(e) Assignment of Permits, Entitlements and Intangible Property. Two (2) counterpart originals of the Assignment of Permits, Entitlements and Intangible Property, duly executed by Seller.

(f) REA Notice. A copy of a letter from Seller to each party to any reciprocal easement and/or other easement or restrictive agreement which effect the Real Property stating that the Real Property has been sold and that all notices under the such agreement relating to the Real Property should now be addressed to Buyer, if any such agreements require such notice.

(g) Seller's Charges. In addition to the Purchase Price and other funds deposited by Buyer with Escrow Agent, such funds as may be required to: (a) discharge all Monetary Obligations; and (b) pay any amounts required to be paid by Seller in accordance with the provisions of Article 11 hereof, in the form of Cash.

(h) Seller's Affidavits; Certificates and Evidence of Authority. (a) Those certificates, affidavits and other documentation that are reasonable and customarily requested by the Title Insurer as a condition to the issuance of the ALTA Extended Coverage Policy; and (b) to the extent required by the Title Insurer, Escrow Agent and/or Buyer, as applicable, evidence that Seller and those acting for Seller have due authority to consummate the transaction contemplated by this Agreement, as modified through the Closing including, without limitation, certified copies of the corporate or other resolutions authorizing the transaction contemplated by this Agreement.

(i) Seller's Closing Statement. Seller's Closing Statement, duly executed by Seller.

(j) Additional Documents. Such additional documents, instructions or other items as may be necessary or appropriate to comply with the provisions of this Agreement and to effect the transactions contemplated hereby.

Section 6.2 Seller's Deliveries to Buyer at Closing. On or before the Closing, Seller shall deliver to Buyer the items described in this Section 6.2.

(i) Assumed Contracts, Permits and Entitlements and Intangible Property. Copies of all of the Assumed Contracts, Permits and Entitlements and Intangible Property in Seller's possession or control.

(ii)Books and Records. Copies of all of the Books and Records in Seller's possession or control, to the extent not previously delivered by Seller to Buyer.

ARTICLE 7
BUYER'S DELIVERIES

On or before 12:00 p.m. Eastern Time on the Closing Date, Buyer shall deliver to Escrow Agent the items described in this Article 7.

Section 7.1 Closing Deposit. The Closing Deposit for the Property pursuant to Section 2.2 hereof.

Section 7.2 Assignment and Assumption of Contracts. If there are any Assumed Contracts, two (2) counterpart originals of the Assignment and Assumption of Contracts, duly executed by Buyer.

Section 7.3 Assignment of Permits, Entitlements and Intangible Property. Two (2) counterpart originals of the Assignment of Permits, Entitlements and Intangible Property, duly executed by Buyer.

Section 7.4 **Buyer's Charges.** In addition to the Purchase Price and other funds deposited by Buyer with Escrow Agent, funds sufficient to pay all amounts required to be paid by Buyer in accordance with the provisions of Article 11 hereof, in the form of Cash.

Section 7.5 **Buyer's Closing Statement**. Buyer's Closing Statement, duly executed by Buyer.

Section 7.6 **Buyer's Affidavits; Certificates and Evidence of Authority**. (a) those certificates and affidavits that are reasonable and customarily requested by the Title Insurer as a condition to the issuance of the title policy for the Property; and (b) to the extent required by the Title Insurer, Escrow Agent and/or Seller, as applicable, evidence that Buyer and those acting for Buyer have due authority to consummate the transaction contemplated by this Agreement, as modified through the Closing including, without limitation, certified copies of the corporate or other resolutions authorizing the transaction contemplated by this Agreement.

Section 7.7 **Lease Condition**. Seller shall have received the following: (i) the Lease, duly executed by Buyer as landlord thereunder.

Section 7.8 **Additional Documents.** Such additional documents, instructions or other items as may be necessary or appropriate to comply with the provisions of this Agreement and to effect the transactions contemplated hereby.

ARTICLE 8
CONDITIONS TO CLOSING; CLOSING; DEFAULT; REMEDIES

Section 8.1 **Conditions to Obligations of Buyer.** The Closing of the transaction contemplated pursuant to this Agreement and Buyer's obligation to purchase the Property are subject to satisfaction, prior to the Closing Date, of all of the conditions set forth below, the determination of the satisfaction of which shall be made by Buyer, in its reasonable discretion. Seller hereby acknowledges and agrees that each of the conditions set forth in this Section 8.1 are for the benefit of Buyer and may only be waived by Buyer in its reasonable discretion.

(a) Delivery of Items. Seller shall have timely delivered to Escrow Agent all of the items to be delivered by Seller pursuant to Section 6.1 hereof. Seller shall have timely delivered to Buyer all of the items to be delivered by Seller pursuant to Section 6.2 hereof.

(b) Performance of Obligations. Seller shall have timely performed and satisfied all of the material obligations under this Agreement to be performed by Seller prior to the Closing, including, without limitation, all of Seller's obligations under Section 5.1 hereof.

(c) Title Commitment. Title Insurer is committed to issue an American Land Title Association Owner's Policy of Title Insurance with Extended Coverage (ALTA Form 2006), or its state equivalent, with liability in the amount of the Purchase Price, insuring that fee title to the Real Property is vested in Buyer, subject only to: (i) the exclusions listed in the "Exclusions from Coverage" of the ALTA Extended Coverage Title Policy; and (ii) the Permitted Title Exceptions, together with such endorsements as may be reasonably requested by Buyer including, without limitation, the following endorsements, as applicable: (i) 3.1 zoning with parking; (ii) comprehensive; (iii) restrictions coverage; (iv) access; (v) survey; (vi) subdivision; (vii) utility facility; (viii) contiguity; (ix) separate tax parcel(s); (x) environmental lien; and (xi) removal of the arbitration clause (collectively, the "ALTA Extended Coverage Policy").

(d) Representations and Warranties. All of Seller's representations and warranties set forth in this Agreement shall be true and correct in all material respects on the Closing Date as though made at the time of the Closing. Without limiting the foregoing, on or before the Closing Date, Seller shall have delivered to Buyer a written certificate, duly executed by Seller, certifying that all of the representations and warranties of Seller set forth in this Agreement are true and correct as of the Closing.

(e) Litigation. No suit, action, claim or other proceeding shall have been instituted or threatened against Seller or Tenant which results, or reasonably might be expected to result, in the transactions contemplated by this Agreement being enjoined or declared unlawful, in any lien attaching to or against the Property and/or in any liabilities or obligations being imposed upon Buyer or the Property, other than the Permitted Title Exceptions.

(f) Bankruptcy. No suit, action, claim or other proceeding shall have been instituted or threatened against Seller, Tenant or Guarantor under the U.S. Bankruptcy Code or any state law for relief of debtors or which results, or which reasonably might be expected to result, in the transactions contemplated by this Agreement being enjoined or declared unlawful, in any lien attaching to or against the Property or in any new liabilities or obligations being imposed upon Buyer or the Property.

(g) Damage or Destruction. Subject to Section 8.3 hereof, there shall have been no Material Loss.

(h) Condemnation Proceeding. Subject to Section 8.3 hereof, no Condemnation Proceeding shall have been instituted or be threatened against all or any portion of the Real Property.

(i) Termination of Contracts. Except for any Assumed Contracts that Buyer has expressly agreed to assume at Closing, all of the Contracts that would be binding on Buyer or the Property following the Closing shall have been terminated effective as of a date not later than the Closing Date, and Seller shall have paid all amounts due under such Contracts up to and through the effective date of termination, including, without limitation, any termination fees or similar payments, and neither Buyer nor the Property shall be bound thereby or have any liability or obligations thereunder.

(j) Change in Conditions. There shall have been no adverse change with respect to: (i) the ownership, operation or occupancy or the financial or physical condition of the Property or any part thereof (subject to Section 8.3 hereof).

(k) No Moratorium. No moratorium, statute or regulation of any governmental agency or order or ruling of any court shall have been enacted, adopted or issued after the expiration of the Investigation Period that would adversely affect Buyer's or Tenant's proposed use or development of the Real Property.

(l) Tenant / Guarantor Conditions. From the Effective Date through the Closing Date, there shall not have occurred a change, event, state of facts or development that has had or would reasonably be expected to have, individually or in the aggregate, a significant adverse effect on the business, financial condition, prospects, assets or results of operations of Tenant or Guarantor.

(m) Lease / Guaranty Conditions. Buyer shall have received the following: (i) the Lease, duly executed by Tenant as the tenant thereunder; and (ii) a Guaranty, duly executed by Guarantor.

(n) Condominium Documents. The Parties shall have agreed upon the form and substance of the Condominium Documents and the Condominium Documents shall have been executed, delivered and recorded, as applicable, in the Worcester County Registry of Deeds. In addition to the foregoing, Title Insurer shall have agreed to insure the easements appurtenant to the Real Property pursuant to the Condominium Documents in the ALTA Extended Coverage Title Policy.

(o) Creation of Condominium. The Project Land (together with all improvements now or hereafter located thereon, including the Real Property) shall have been converted to a condominium project pursuant to Chapter 183A of the Massachusetts General Laws and the Condominium Documents (the "Condominium Conversion"), and the Unit shall have been created in accordance with the Site Plan.

Buyer may waive any of the conditions set forth in this Section 8.1 by delivery of written notice to Seller on or before the Closing. Without limiting the foregoing, Escrow Agent shall assume that each of the conditions set forth

in Section 8.1(b) shall have been satisfied as of the Closing Date, unless Buyer shall have given written notice to the contrary to Escrow Agent on or before the Closing Date.

Section 8.2 **Conditions to Obligations of Seller.** The Closing of the transactions **contemplated** pursuant to this Agreement and the obligation of Seller to sell, convey, assign, transfer and deliver the Property to Buyer are subject to satisfaction, prior to the Closing Date, of all of the conditions set forth below, the determination of the satisfaction of which shall be made by Seller, in its sole but reasonable discretion. Buyer hereby acknowledges and agrees that each of the conditions set forth in this Section 8.2 are for the benefit of Seller and may only be waived by Seller in its sole but reasonable discretion.

(a) Delivery of Items. Buyer shall have timely delivered to Escrow Agent all of the items to be delivered by Buyer pursuant to Article 7 hereof.

(b) Performance of Obligations. Buyer shall have performed all of the obligations of Buyer under this Agreement to be performed by Buyer prior to the Closing.

Seller may waive any of the conditions precedent set forth in this Section 8.2 by delivery of written notice thereof to Buyer. Escrow Agent shall assume that each of the conditions set forth in this Section 8.2 shall have been satisfied as of the Closing Date, unless Seller shall have given written notice to the contrary to Escrow Agent on or before the Closing Date.

Section 8.3 **Casualty; Condemnation Proceeding.**

(a) Material Loss. In the event that, prior to the Closing, the Real Property shall suffer a Material Loss or Seller shall receive notice of the commencement or the threat of commencement of any eminent domain or condemnation proceeding which involves any portion of the Real Property ("Condemnation Proceeding"), Seller shall immediately notify Buyer of such Material Loss or Condemnation Proceeding and, in such a case: (i) Buyer shall have the right to terminate this Agreement and the Escrow pursuant to the terms of Section 8.5(a) hereof; or (ii) accept the Property in its then-existing condition and purchase and acquire the Property in accordance with the terms and conditions of this Agreement, subject to the terms and conditions described in this Section 8.3. In the event of a Material Loss, if Buyer exercises its right to purchase and acquire the Property in its present condition, then Seller shall pay or assign to Buyer on the Closing any and all casualty insurance proceeds previously paid or payable to Seller, and Buyer shall be entitled to a credit against the Purchase Price in an amount equal to any insurance deductible. In the event of a Condemnation Proceeding, if Buyer exercises its right to purchase and acquire the Property in its present condition, then Seller shall pay or assign to Buyer on the Closing any amount of compensation, awards or other payments or relief previously paid or payable to Seller resulting from such Condemnation Proceeding. Buyer's termination right or Buyer's acceptance right shall be exercised by written notice to Seller within thirty (30) Calendar Days (but in no event later than the Closing Date) after Buyer receives written notice from Seller of the occurrence of the Material Loss or Condemnation Proceeding.

(b) Non-Material Loss. In the event that, prior to the Closing, the Real Property shall suffer a Non-Material Loss, Seller shall immediately notify Buyer of such Non-Material Loss and, in such a case, Buyer shall be obligated to purchase the Property (in its then-existing condition) in accordance with the terms and conditions of this Agreement, subject to the terms and conditions of this Section 8.3(b). In such a case, Seller shall pay and assign to Buyer on the Closing any and all casualty insurance proceeds previously paid or payable to Seller, and Buyer shall also be entitled to a credit against the Purchase Price in an amount equal to any insurance deductible, as well as an amount equal to the estimated costs, fees and expenses to repair and/or replace the uninsured portion of the Non-Material Loss. In the event such Non-Material Loss is not covered by insurance, then Buyer shall be entitled to an offset against the Purchase Price in an amount equivalent to the monetary value of such Non-Material Loss.

Section 8.4 **Closing.** The closing of the transaction contemplated by this Agreement ("Closing") shall take place at the offices of Escrow Agent or at such other location as may be mutually agreed upon by Seller

and Buyer, upon the tenth (10th) Calendar Day following the expiration of the Investigation Period (as the same may be extended pursuant to this Agreement or by mutual written agreement of the Parties) ("Closing Date").

Section 8.5 Failure of Conditions to Closing; No Default by Seller or Buyer.

(a) Failure of Buyer's Closing Conditions. In the event one or more of Buyer's conditions to the Closing set forth in Section 8.1 hereof are not satisfied by Seller or otherwise waived by Buyer on or before the Closing Date, and the failure of such conditions to be satisfied is not a result of a default by Seller or Buyer in the performance of their respective obligations under this Agreement, then Buyer shall have the right to extend the Closing Date for such period of time as reasonably necessary for Seller to satisfy such condition, not to exceed sixty (60) Calendar Days in the aggregate, by giving written notice to Seller. If Buyer does not make such election to extend, or if Buyer makes such election but such condition is not satisfied within such extended period, then Buyer shall have the right to terminate this Agreement and the Escrow by giving written notice of such termination to Seller. Upon any election by Buyer to terminate this Agreement and the Escrow pursuant to this Section 8.5(a), the provisions of Section 8.5(c) hereof shall govern.

(b) Failure of Seller's Closing Conditions. In the event one or more of Seller's conditions to the Closing set forth in Section 8.2 hereof are not satisfied by Buyer or otherwise waived by Seller on or before the Closing Date, and the failure of such conditions to be satisfied is not a result of a default by Seller or Buyer in the performance of their respective obligations under this Agreement, then Seller shall have the right to extend the Closing Date for such period of time as reasonably necessary for Buyer to satisfy such condition, not to exceed sixty (60) Calendar Days in the aggregate, by giving written notice to Buyer. If Seller does not make such election to extend, or if Seller makes such election but such condition is not satisfied within such extended period, then Seller shall have the right to terminate this Agreement and the Escrow by giving written notice of termination to Buyer. Upon any election by Seller to terminate this Agreement and the Escrow pursuant to this Section 8.5(b), the provisions of Section 8.5(c) shall govern.

(c) Termination Provisions. In the event either party elects to terminate this Agreement and the Escrow for the reasons and in accordance with the provisions set forth in this Section 8.5, then: (i) this Agreement shall automatically terminate (other than those provisions which expressly provide that they survive any termination of this Agreement); (ii) Escrow Agent shall immediately cause the Initial Deposit to be paid to Buyer without the need of any further written authorization or consent from Seller; and (iii) Seller and Buyer shall execute such escrow cancellation instructions as may be necessary to effectuate the cancellation of the Escrow as may be required by Escrow Agent. Any Escrow cancellation, title cancellation and other cancellation charges shall be borne equally by Seller and Buyer.

Section 8.6 Failure of Conditions to Closing; Default by Seller or Buyer. In the event either Seller or Buyer defaults in the performance of any of their respective obligations to be performed prior to the Closing, other than in the case of Buyer's termination pursuant to Sections 4.2 or 8.5(a) hereof, and other than in the case of Seller's termination pursuant to Section 8.5(b) hereof, then the non-breaching party may elect the applicable remedies set forth in this Section 8.6, which remedies shall constitute the sole and exclusive remedies of the non-breaching party with respect to a default by the other party under this Agreement.

(a) Remedies of Buyer. In the event Buyer is the non-breaching party, as its sole and exclusive remedy, Buyer may elect to: (i) terminate this Agreement and the Escrow by giving Seller written notice describing Seller's default and setting forth Buyer's election to immediately terminate this Agreement and the Escrow; or (ii) pursue the equitable remedy of specific performance of this Agreement**.** In the event Buyer elects to terminate this Agreement and the Escrow pursuant to Section 8.6(a)(i) hereof, then Escrow Agent shall immediately cause the Initial Deposit to be paid to Buyer without the need of any further authorization or consent from Seller pursuant to the provisions of Section 8.6(d) hereof. Furthermore, in the event Buyer elects to terminate this Agreement and the Escrow pursuant to Section 8.6(a)(i) hereof, Seller shall also reimburse and pay to Buyer an amount equal to all costs, fees and expenses (including legal fees and costs), paid or incurred by Buyer in connection with this Agreement and in connection with its investigation of the Property, subject to a cap of $[***].

(b) Remedies of Seller. In the event Seller is the non-breaching party, as Seller's sole and exclusive remedy, Seller may elect to terminate this Agreement and the Escrow by giving Buyer written notice describing Buyer's default and setting forth Seller's election to immediately terminate this Agreement and the Escrow. In the event Seller elects to terminate this Agreement and the Escrow pursuant to this Section 8.6(b) after expiration of the Investigation Period, the sole and exclusive remedy of Seller for such breach shall be to receive the amount specified as liquidated damages pursuant to Section 8.6(c) hereof. Notwithstanding any provision to the contrary set forth in this Agreement, under no circumstance shall Seller be entitled to pursue the equitable remedy of specific performance in the event that Buyer fails to complete the purchase of the Property in accordance with the terms and conditions of this Agreement.

(c) SELLER'S LIQUIDATED DAMAGES. IF BUYER FAILS TO COMPLETE THE PURCHASE OF THE PROPERTY IN ACCORDANCE WITH THE TERMS AND CONDITIONS OF THIS AGREEMENT AFTER EXPIRATION OF THE INVESTIGATION PERIOD (OTHER THAN AS A RESULT OF BUYER'S ELECTION TO TERMINATE PURSUANT TO SECTIONS 4.2, 8.5(a) OR 8.6(a) HEREOF, AND OTHER THAN IN THE CASE OF SELLER'S TERMINATION PURSUANT TO SECTION 8.5(b) HEREOF), BY REASON OF THE DEFAULT OF BUYER, SELLER SHALL BE RELEASED FROM ITS OBLIGATION TO SELL THE PROPERTY TO BUYER. IN SUCH A CASE, SELLER AND BUYER AGREE THAT IT WOULD BE DIFFICULT OR IMPOSSIBLE TO DETERMINE THE AMOUNT OF DAMAGES OF SELLER AS A RESULT OF ANY SUCH BREACH BY BUYER, AND, ACCORDINGLY, AS SELLER'S SOLE AND EXCLUSIVE REMEDY AT LAW OR IN EQUITY (OTHER THAN AN ACTION TO ENFORCE THE PROVISIONS OF THIS AGREEMENT), SELLER SHALL BE ENTITLED TO RECEIVE AND RETAIN THE INITIAL DEPOSIT AS LIQUIDATED DAMAGES IN THE EVENT OF A DEFAULT BY BUYER, AND THE PAYMENT OF SUCH LIQUIDATED DAMAGES TO SELLER SHALL CONSTITUTE THE EXCLUSIVE REMEDY OF SELLER ON ACCOUNT OF THE DEFAULT BY BUYER.

_/s/ Francis Perullo_____ _/s/ Brian Wolfe_____

SELLER'S INITIALS BUYER'S INITIALS

(d) Termination Provisions. In the event either Party elects to terminate this Agreement and the Escrow for the reasons and in accordance with the provisions set forth in this Section 8.6, then: (i) this Agreement will automatically terminate (other than those provisions which expressly provide that they survive any termination of this Agreement) without any further acts of either Seller or Buyer; (ii) Seller and Buyer shall execute such escrow cancellation instructions as may be necessary to effectuate the cancellation of the Escrow as may be required by Escrow Agent; and (iii) Escrow Agent shall immediately cause the Initial Deposit and the Independent Consideration to be distributed and paid in accordance with the provisions of this Agreement. The breaching party hereunder shall pay any and all escrow and title cancellation costs incurred in connection herewith.

(e) Survival. The provisions of this Article 8 shall survive the Closing or any termination of this Agreement.

ARTICLE 9
REPRESENTATIONS AND WARRANTIES OF SELLER

In addition to the representations, warranties and covenants of Seller contained elsewhere in this Agreement, Seller hereby makes the following representations and warranties, each of which is material and being relied upon by Buyer and shall be true as of the date hereof and as of the Closing:

Section 9.1 Organization, Power and Authority. Seller is a Massachusetts limited liability company duly organized and validly existing under the laws of the Commonwealth of Massachusetts. Seller has all requisite power and authority to own the Property, to execute and deliver this Agreement and the Transaction Documents to which Seller is a party, and to perform its obligations hereunder and thereunder and effect the transactions contemplated hereby and thereby. All requisite limited liability company, partnership or other action

has been taken to authorize and approve the execution, delivery and performance by Seller of this Agreement and the Transaction Documents to which Seller is a party.

Section 9.2 **No Conflicts.** The execution, delivery and performance by Seller of this Agreement and the Transaction Documents to which Seller is a party, and the consummation of the transactions contemplated hereby and thereby, will not: (a) violate any provision of the organizational documents of Seller; (b) violate, conflict with or result in a breach of or default under any term or provision of any contract or agreement to which Seller is a party or by or to which Seller or any of its assets or properties are or may be bound or subject; or (c) violate any order, judgment, injunction, award or decree of any court or arbitration body, or any governmental, administrative or regulatory authority, or any other body, by or to which Seller or the Property are or may be bound or subject.

Section 9.3 **Non-Foreign Status.** Seller is not a "foreign person" as such term is defined in Section 1445 of the Code.

Section 9.4 **Litigation and Condemnation.** Seller has not received written notice of and, to the best of Seller's knowledge and belief, there are no: (a) pending or threatened claims, actions, suits, arbitrations, proceedings (including condemnation proceedings) or investigations by or before any court or arbitration body, any governmental, administrative or regulatory authority, or any other body, against or affecting the Property or the transactions contemplated by this Agreement; and (b) orders, judgments or decrees of any court or arbitration body, any governmental, administrative or regulatory authority, or any other body, against or affecting the Property or the transactions contemplated by this Agreement.

Section 9.5 **Liabilities.** Upon the Closing, neither Buyer nor the Property will be subject to any liabilities or obligations, whether secured, unsecured, accrued, absolute, contingent or otherwise, that relate to Seller's ownership of the Property prior to the Closing, other than the Permitted Title Exceptions and the Assumed Contracts.

Section 9.6 **Fees.** To the best of Seller’s knowledge, there are no impact, mitigation or similar fees owing or payable in connection with the construction, development, installation and/or operation of the Real Property.

Section 9.7 **Mechanic's Liens.** To the best of Seller's knowledge, there are no fees, dues or other charges which are due, owing or unpaid in connection with the construction of or any repairs to the Real Property. To the best of Seller's knowledge, there are no pending or threatened claims which may or could ripen with the passage of time into a mechanic's lien upon the Real Property as the result of any contract, agreement or work performed on the Real Property.

Section 9.8 **Contracts and Assumed Contracts.** All of the Contracts are terminable without penalty upon not more than thirty (30) Calendar Days' notice (other than Contracts that constitute Permitted Title Exceptions). There are no Contracts with any person or entity relating to the Property which must be assumed by Buyer (or which will be deemed assumed by the Buyer upon the Buyer becoming the owner of the Property), other than the Assumed Contracts and Permitted Title Exceptions. The Assumed Contracts, if any, are in full force and effect and constitute valid and enforceable agreements of Seller, free and clear of all liens, charges, encumbrances and adverse claims, and no event has occurred which with the giving of notice or the passage of time or both would result in a default thereunder. Seller has obtained, or on or before the Closing will have obtained, all requisite consents of third parties to the assignment to and assumption by Buyer of the Assumed Contracts.

Section 9.9 **Taxes and Assessments. To the best of Seller’s knowledge, there are no** pending or threatened improvements, liens, or special assessments made or to be made against the Property by any governmental authority, except as may be identified in the Permitted Exceptions.

Section 9.10 **Construction and Condition of Improvements.** Intentionally deleted.

Section 9.11 **Financial Statements.** Each of the financial statements of Seller, Tenant and Guarantor provided to Buyer pursuant to Section 4.1(a) hereof is prepared in accordance with generally accepted accounting principles.

Section 9.12 **Compliance with Laws.** To the best of Seller's knowledge, Seller and Tenant have each complied, and are currently in compliance with, all federal (except solely with respect to any federal law that directly conflicts with state and local cannabis laws, regulations and ordinances), state and local laws, regulations and ordinances applicable to the development, ownership, operation, maintenance and management of the Real Property, and/or otherwise applicable to Seller or Tenant. Seller has no notice or knowledge of a violation of any such laws, rules or regulations. Seller has no notice or knowledge that any government agency or any employee or official considers the construction of the Real Property or its operation or use to have failed to comply with any law, ordinance, regulation or order or that any investigation has been commenced or is contemplated respecting any such possible failure of compliance. To the best of Seller's knowledge, all existing streets and other improvements, including water lines, sewer lines, sidewalks, curbing and streets at the Real Property either enter the Real Property through adjoining public streets, or, if they enter through adjoining private lands, do so in accordance with valid, irrevocable easements running to the benefit of the owner of the Real Property. Seller has not received from any insurance company or Board of Fire Underwriters any notice, which remains uncured, of any defect or inadequacy in connection with the Real Property or its operation.

Section 9.13 **Environmental Matters.** To the best of Seller's knowledge, and except as may otherwise be disclosed in the reports listed on Schedule 2.0 attached hereto and incorporated herein by reference: (i) the Improvements are free from Hazardous Materials; (ii) the soil, surface water and ground water of, under, on or around the Real Property are free from Hazardous Materials; (iii) the Real Property has never been used for or in connection with the manufacture, refinement, treatment, storage, generation, transport or hauling of any Hazardous Material (A) in excess of levels permitted by or (B) in violation of applicable Environmental Laws, nor has the Real Property been used for or in connection with the disposal of any Hazardous Materials; and (iv) the Real Property is now and at all times has been in compliance with all Environmental Laws.

Section 9.14 **Dependent Properties.** To the best of Seller’s knowledge, the continued maintenance, occupancy and operation of the Real Property is not now, and on the Closing Date will not be, dependent to any extent on improvements or facilities located at any other property, and the continued maintenance, occupancy and operation of any other property is not dependent to any extent on improvements or facilities located on the Real Property (including, but not limited to, the Improvements or the Personal Property).

Section 9.15 **Permits and Entitlements.** Seller has obtained, or as of the Closing will have obtained, all governmental permits, licenses, approvals and authorizations (including, but not limited to, the Permits and Entitlements) required for the ownership and maintenance of the Property, and all such permits, licenses, approvals and authorizations (including, but not limited to, the Permits and Entitlements) are in full force and effect, and, to the extent the same are material, are transferable to Buyer.

Section 9.16 **Utilities.** To the best of Seller's knowledge, the Real Property has full access rights and is connected to water, sanitary sewer, storm water, gas, electricity, oil, telephone, cable and other utilities required for the ownership, operation and occupancy of the Real Property, which are sufficient in size and capacity to service and accommodate the reasonably expected needs and operations of the Real Property (including but not limited to the Permitted Use as defined in the Lease).

Section 9.17 **Prohibited Persons and Transactions.** Neither Seller, nor any of its affiliates, nor any of their respective members or partners, and none of their respective officers or directors is, nor prior to Closing, or the earlier termination of this Agreement, will they become, a person or entity with whom U.S. persons or entities are restricted from doing business under the regulations of the Office of Foreign Asset Control ("OFAC") of the Department of the Treasury (including those named on OFAC's Specially Designated Blocked Persons List) or under any U.S. statute, executive order (including the September 24, 2001, Executive Order Blocking Property and Prohibiting Transactions with Persons Who Commit, Threaten to Commit or Support Terrorism), or other

governmental action and is not, and prior to Closing or the earlier termination of this Agreement will not, engage in any dealings or transactions with or be otherwise associated with such persons or entities.

Section 9.18 **Integrity of Documents.** Seller has furnished to Buyer all items constituting Seller's Deliveries and to the best of Seller's knowledge, all of the information contained in Seller's Deliveries is true and correct and contains no misrepresentations or omissions of facts.

Section 9.19 **Condominium Conversion.** As of the Closing, the Condominium Conversion and creation of the Unit have been completed in accordance with all applicable laws and no further authorizations or approvals are required for the legal conveyance of the Real Property by Seller to Buyer.

Section 9.20 **Options to Purchase; Occupancy Rights.** Seller has not previously granted any option to purchase the Property or any right of first refusal or similar rights with respect to the Property, and to the best of Seller's knowledge, no such options to purchase or rights of first refusal with respect to the Property are in existence. Seller has not entered into, and has no knowledge, of any lease or similar occupancy agreement with respect to the Real Property that will be binding upon Buyer or the Real Property as of the Closing, except for the Lease to be executed by Tenant and delivered by Seller pursuant to this Agreement.

Section 9.21 **Intentionally Omitted.**

Section 9.22 **Intentionally Omitted.**

Section 9.23 **Survival.** The representations and warranties of Seller set forth in Sections 9.1, 9.2 and 9.17 hereof, as well as the right and ability of Buyer to enforce the same and/or to seek damages for its breach, shall survive the Closing. The representations and warranties of Seller set forth in Sections 9.3 through 9.16, inclusive, and Sections 9.18 through 9.20, inclusive, hereof, as well as the right and ability of Buyer to enforce the same and/or to seek damages for their breach, shall survive the Closing for a period of nine (9) months. All claims, whether known or unknown, for breach by Seller of a representation or warranty as set forth in Sections 9.3 through 9.12, inclusive, and Sections 9.18 through 9.20, inclusive, hereof, must be asserted in writing by Buyer and delivered to Seller on or before the expiration of such nine (9) month period or otherwise such claims shall be invalid and of no force or effect and Seller shall have no liability with respect thereto.

Section 9.24 **Seller's Representations and Warranties; Reimbursement for Due Diligence Costs.** The continued accuracy in all material respects of the aforesaid representations and warranties is a condition precedent to Buyer's obligation to close. If any of said representations and warranties are not correct in all respects at the time the same is made or as of Closing and Seller had no knowledge of such inaccuracy when the representation or warranty was made (or when deemed remade at Closing) or if such warranty or representation becomes inaccurate on or prior to Closing other than by reason of Seller's default hereunder, Buyer may, upon being notified in writing by Seller of such occurrence on or prior to Closing, either: (a) terminate this Agreement and Escrow pursuant to the provisions of Section 8.5(a) hereof; or (b) waive such matter and proceed to Closing. If any of said representations and warranties are not correct in all respects at the time the same is made or as of Closing, and Seller had knowledge of such inaccuracy when the representation or warranty was made, or, by its default hereunder caused the representation or warranty to be inaccurate when deemed remade at Closing, Buyer may either: (i) terminate this Agreement pursuant to the provisions of Section 8.6(a) and recover from Seller all of Buyer's actual out-of-pocket legal and due diligence costs incurred in connection with this Agreement and its review of the Property, subject to a cap of [***]; or (ii) waive such matter and proceed to Closing.

ARTICLE 10
REPRESENTATIONS, WARRANTIES, COVENANTS AND AGREEMENTS OF BUYER

Buyer hereby makes the following representations and warranties, each of which representation and warranty is: (a) material and being relied upon by Seller; and (b) true, complete and not misleading in all material respects as of the date hereof and as of the Closing.

Section10.1 **Organization, Power and Authority.** Buyer is a limited partnership duly organized and validly existing under the laws of the State of Delaware. Subject only to obtaining certain internal approvals on or before the expiration of the Investigation Period, (a) Buyer has all requisite power and authority to execute and deliver this Agreement and the Transaction Documents to which Buyer is a party, and to perform its obligations hereunder and thereunder and to effect the transactions contemplated hereby and thereby and (b) all requisite corporate or other action has been taken to authorize and approve the execution, delivery and performance by Buyer of this Agreement and the Transaction Documents to which Buyer is a party.

Section10.2 **No Conflicts.** The execution, delivery and performance by Buyer of this Agreement and the Transaction Documents to which Buyer is a party, and the consummation of the transactions contemplated hereby and thereby, will not: (a) violate any provision of Buyer's organization documents; (b) violate, conflict with or result in a breach of or default under any term or provision of any contract or agreement to which Buyer is a party or by or to which Buyer or any of its assets or properties are or may be bound or subject; or (c) violate any order, judgment, injunction, award or decree of any court or arbitration body, or any governmental, administrative or regulatory authority, or any other body, by or to which Buyer is or may be bound or subject.

Section10.3 **Survival.** The representations, warranties, covenants and agreements contained in this Agreement by Buyer are true, correct and complete and shall be deemed remade by Buyer as of the Closing, with the same force and effect as if made at that time. All representations, warranties, covenants and agreements of Buyer contained in this Article 10, as well as the right and the ability of Seller to enforce them and/or seek damages for their breach, shall survive the Closing for a period of six (6) months. All claims, whether known or unknown, for breach by Buyer of a representation or warranty as set forth in this Article 10 must be asserted in writing by Seller and delivered to Buyer on or before the expiration of such six (6) month period or otherwise such claims shall be invalid and of no force or effect and Buyer shall have no liability with respect thereto.

ARTICLE 11
COSTS, EXPENSES AND PRORATIONS

Section11.1 **Costs and Expenses.**

(a) Seller. Seller shall pay: (i) all recording costs, documentary transfer taxes, deed stamps and similar costs, fees and expenses payable in connection with the recordation of Seller’s Deed; (ii) the cost for the ALTA Extended Coverage Policy; (iii) the cost of the Survey; (iv) one-half (1/2) of Escrow Agent's fees and costs for the Escrow; (v) Seller's share of prorations; (vi) any costs incurred for the Condominium Conversion, including preparation of the Condominium Documents; and (vii) Seller's attorneys' fees.

(b) Buyer. Buyer shall pay: (i) one-half (1/2) of Escrow Agent's fees and costs for the Escrow; (ii) Buyer's share of prorations and the cost of any endorsements to the ALTA Extended Coverage Policy requested by Buyer; and (iii) Buyer's attorneys' fees.

Section11.2 **Prorations, Costs and Expenses.** The Parties acknowledge and agree that the Seller will be responsible for all expenses arising out of the Property prior to Closing and pursuant to the Lease, Seller will be responsible for all expenses arising out of the Property subsequent to Closing. Accordingly, there will be no prorations between Seller and Buyer at Closing.

ARTICLE 12
ACTIONS TO BE TAKEN AT THE CLOSING

Section12.1 **Actions by Escrow Agent.** In connection with the Closing, Escrow Agent shall take the following actions:

(a) Recording. Escrow Agent shall cause the Seller's Deed (with documentary transfer tax information to be affixed after recording) to be recorded in the Worcester County Registry of Deeds, Commonwealth of Massachusetts, and obtain a conformed copy thereof for distribution to Seller and Buyer:

(b) Title Policy. Escrow Agent shall direct Title Insurer to issue the ALTA Extended Coverage Title Policy to Buyer.

(c) Distribution of Funds. Escrow Agent shall disburse all funds deposited with Escrow Agent by Buyer in payment of the Purchase Price as follows: (i) first, deduct, pay and satisfy all items chargeable to the account of Seller pursuant to Section 11.1 hereof; (ii) second, deduct, pay and satisfy all Monetary Obligations against the Real Property; (iii) third, if, as a result of the prorations and credits pursuant to Article 11 hereof, amounts are to be charged to the account of Seller, deduct the net amount of such charges; and (iv) fourth, disburse the remaining balance of the Purchase Price to Seller promptly upon the Closing. All disbursements by Escrow Agent shall be by wire transfer of immediately available funds to the designated account of the receiving party or shall be by certified or cashier's check of Escrow Agent, as may be directed by the receiving party.

(d) Distribution of Documents to Seller. Title Insurer shall disburse to Seller: (i) counterpart originals of each of the non-recordable Transaction Documents; (ii) a conformed copy of each of the recordable Transaction Documents, including, without limitation, Seller's Deed; and (iii) any other documents deposited into Escrow by Seller.

(e) Distribution of Documents to Buyer. Title Insurer shall disburse to Buyer: (i) counterpart originals of each of the non-recordable Transaction Documents; (ii) a conformed copy of each of the recordable Transaction Documents; and (iii) a copy of all other documents deposited into Escrow by Buyer.

ARTICLE 13
BROKERS

Seller and Buyer hereby represent and warrant to each other that the warranting party has not entered into nor will such warranting party enter into any agreement, arrangement or understanding with any other person or entity which will result in the obligation of the other party to pay any finder's fee, commission or similar payment in connection with the transactions contemplated by this Agreement. Seller and Buyer hereby agree to and shall indemnify, defend and hold harmless the other from and against any and all claims, costs, damages and/or liabilities arising from the breach of the foregoing representation by either Seller or Buyer, as the case may be.

ARTICLE 14
INDEMNIFICATION

Section14.1 **Indemnification**.

(a) **Indemnification by Seller.** Effective as of the Closing, Seller hereby agrees to and shall reimburse, indemnify, defend (at Buyer's option and with counsel reasonably acceptable to Buyer) and hold harmless Buyer and its affiliates and each of their respective officers, directors, shareholders, members, partners, agents, employees, successors and assigns (collectively, the "Buyer Indemnitees"), from and against any and all claims, liabilities, causes of action, losses, costs, damages, reasonable attorneys' fees, judgments and/or expenses ("Losses"), arising out of, or relating to, the breach by Seller of any of the representations and warranties made by Seller in or under this Agreement or any of the Transaction Documents, up to a total amount of [***].

(b) **Indemnification by Buyer**. Effective as of the Closing, Buyer hereby agrees to and shall reimburse, indemnify, defend (at Seller's option and with counsel reasonably acceptable to Seller) and hold harmless Seller and its affiliates and each of their respective officers, directors, shareholders, members, partners, agents, employees, successors and assigns (collectively, the "Seller Indemnitees"), from and against any and all Losses arising out of, or relating to, the breach by Buyer of any of the representations and warranties made by Buyer in or under this Agreement or any of the Transaction Documents, up to a total amount of [***].

Section14.2 Notice and Opportunity to Defend.

(a) Notice of Asserted Liability. Following the receipt by one or more of the Buyer Indemnitees or Seller Indemnitees, as applicable (hereinafter, the "Indemnitees") of written notice of any claims, liabilities, causes of action or any other circumstances that would give rise to a claim for reimbursement or indemnification pursuant to Section 14.1 of this Agreement ("Asserted Liability"), Indemnitees shall give written notice thereof ("Claims Notice") to the applicable indemnifying party hereunder (hereinafter, the "Indemnitor").

Following the receipt of a valid Claims Notice, and without in any way limiting or reducing the obligations of Indemnitor pursuant to Section 14.1 hereof, Indemnitor shall defend (at Indemnitee's option and with counsel reasonably acceptable to Indemnitee) and satisfy such Asserted Liability. All costs, fees and expenses incurred in connection with the defense and satisfaction of such Asserted Liability shall be borne by and be the sole responsibility of Indemnitor.

(b) Opportunity to Defend. Without in any way limiting or reducing the obligations of Indemnitor pursuant to Section 14.1 or Section 14.2(a) hereof, Indemnitees may elect to defend (by their own counsel), compromise and/or satisfy any Asserted Liability. Without in any way limiting or reducing the obligations of Indemnitor pursuant to Section 14.1 or Section 14.2(a) hereof, if Indemnitees elect to defend (by their own counsel), compromise and/or satisfy such Asserted Liability, Indemnitees shall notify Indemnitor of Indemnitees' intent to do so, and Indemnitor shall reasonably cooperate in the defense, compromise and satisfaction of such Asserted Liability. All reasonable costs, fees and expenses incurred in connection with the defense, compromise and satisfaction of any such Asserted Liability shall be borne by and shall be the responsibility of Indemnitor. Furthermore, and without limiting the obligations of Indemnitor pursuant to Section 14.1 or Section 14.2(a) hereof, Indemnitor shall reimburse Indemnitees for all Losses incurred by Indemnitees in connection with any such Asserted Liability.

(c) Timing for Payment. In the event Indemnitees incur any Losses which were not otherwise paid or satisfied by Indemnitor pursuant to this Agreement, Indemnitees shall deliver written notice to Indemnitor advising Indemnitor that Indemnitees have incurred such Losses ("Notice of Loss"). The Notice of Loss shall include an itemization of all of the Losses which Indemnitor is required to pay pursuant to and in accordance with the terms and provisions of this Agreement. Within thirty (30) calendar days after the date of receipt by Seller of the Notice of Loss, Indemnitor shall pay to Indemnitees the aggregate amount of the Losses described in such Notice of Loss. In the event Indemnitor fails to timely pay to Indemnitees the aggregate amount of such Losses, any and all unpaid amounts shall bear interest at the greater of: (a) [***] per annum; or (b) the maximum rate of interest allowable under applicable law, which interest, in either case, shall be deemed to accrue effective as of the date such payment was originally due.

ARTICLE 15
MISCELLANEOUS

Section15.1 Assignment. No assignment of this Agreement or either Party's rights or obligations hereunder shall be made by either Party without first having obtained the other Party's written approval of any such assignment, which approval may be granted or withheld in the sole and absolute discretion of such Party. Notwithstanding the foregoing, Buyer may assign this Agreement to a wholly-owned subsidiary of Buyer without the prior written consent of Seller. Buyer shall notify Seller of any such permitted assignment no later than three (3) Business Days prior to the Closing Date. Upon any such assignment, Buyer shall be fully released and discharged from any and all liabilities and obligations under this Agreement as of the Closing.

Section15.2 **Notices.** Except as otherwise stated in this Agreement, any notice, consent, demand, invoice, statement or other communication required or permitted to be given under this Agreement shall be in writing and shall be given by (a) personal delivery, (b) overnight delivery with a reputable international overnight delivery service, such as FedEx, or (c) facsimile or email transmission, so long as such transmission is followed within one (1) Business Day by delivery utilizing one of the methods described in (a) or (b). Any such notice, consent, demand, invoice, statement or other communication shall be deemed delivered (x) upon receipt, if given in accordance with subsection (a); (y) one (1) Business Day after deposit with a reputable international overnight delivery service, if given if given in accordance with subsection (b); or (z) upon transmission, if given in accordance with subsection (c). Any notice, consent, demand, invoice, statement or other communication required or permitted to be given under this Agreement shall be addressed to the Parties at the following addresses:

(i) Seller's Address. If to Seller, at the following address:

Ascend Athol RE LLC
137 Lewis Wharf
Boston, MA 02110
Attn: Abner Kurtin
Telephone: [REDACTED]
Email: [REDACTED]

With a copy to:

Royer Cooper Cohen Braunfeld LLC
100 N. 18th Street, Suite 710
Philadelphia, PA 19103
Attn: Jennifer Tintenfass, Esq.
Telephone: (610) 629-6223
Email: jtintenfass@rccblaw.com

(ii) Buyer's Address. If to Buyer, at the following address:

IIP Operating Partnership, LP
11440 West Bernardo Court, Suite 100
San Diego, California 92127
Attn: Brian Wolfe, General Counsel
Telephone: [REDACTED]
Email: [REDACTED]

Either Party may, by notice to the other given pursuant to this Section 15.2, specify additional or different addresses for notice purposes. The Parties agree that the attorney for a Party listed above shall have the authority to deliver notices on such Party's behalf.

Section15.3 **Entire Agreement.** This Agreement, including the Exhibits and Schedules referred to herein, are intended by the Parties to be the final, complete and exclusive expression of their agreement with respect to the terms that are included in this Agreement, and may not be contradicted or supplemented by evidence of any other prior or contemporaneous agreement. This Agreement supersedes all previous representations, arrangements, agreements and understandings by and among the Parties with respect to the subject matter covered by this Agreement including, without limitation, all prior letters of intent executed between Buyer and Seller, and any such representations, arrangements, agreements and understandings are hereby canceled and terminated in all respects.

Section15.4 **Amendment.** No provision of this Agreement may be modified, amended, or supplemented except by an agreement in writing signed by Buyer and Seller.

Section15.5 **Severability.** Any provision of this Agreement that shall prove to be invalid, void or illegal shall in no way affect, impair or invalidate any other provision hereof, and all other provisions of this Agreement shall remain in full force and effect and shall be interpreted as if the invalid, void or illegal provision did not exist.

Section15.6 **Remedies.** No waiver of any term, covenant or condition of this Agreement shall be binding unless executed in writing by the party entitled to the benefit of such term, covenant or condition. The waiver of any breach or default of any term, covenant or condition contained in this Agreement shall not be deemed to be a waiver of any preceding or subsequent breach or default of such term, covenant or condition or any other term, covenant or condition of this Agreement. Except as expressly provided in this Agreement, the rights and remedies under this Agreement are in addition to and not exclusive of any other rights, remedies, powers and privileges under this Agreement or available at law, in equity or otherwise. No failure to exercise or delay in exercising any right, remedy, power or privilege shall operate as a waiver thereof, and no single or partial exercise of any right, remedy, power or privilege shall preclude the exercise of any other right, remedy, power or privilege.

Section15.7 **Counterparts.** This Agreement may be executed in one or more counterparts, each of which, when taken together, shall constitute one and the same document.

Section15.8 **Attorneys' Fees.** Except as otherwise expressly set forth in this Agreement, each Party shall pay its own costs and expenses incurred in connection with this Agreement and such Party's performance under this Agreement, provided, that if either Party commences an action, proceeding, demand, claim, action, cause of action or suit against the other Party arising out of or in connection with this Agreement, then the substantially prevailing Party shall be reimbursed by the other Party for all reasonable costs and expenses, including reasonable attorneys' fees and expenses, incurred by the substantially prevailing Party in such action, proceeding, demand, claim, action, cause of action or suit, and in any appeal in connection therewith (regardless of whether the applicable action, proceeding, demand, claim, action, cause of action, suit or appeal is voluntarily withdrawn or dismissed).

Section15.9 **Governing Law; Jurisdiction and Venue.** This Agreement shall be governed by and construed and enforced in accordance with the laws of the Commonwealth of Massachusetts, without regard **to** Massachusetts' conflict of law principles. The proper venue for any claims, causes of action or other proceedings concerning this Agreement shall be in the state and federal courts located in the County of Worcester, Commonwealth of Massachusetts.

Section15.10 **Waiver of Jury Trial.** To the extent permitted by applicable laws, the Parties waive trial by jury in any action, proceeding or counterclaim brought by the other Party hereto related to matters arising out of or in any way connected with this Agreement.

Section15.11 **No Third Party Beneficiary.** This Agreement is for the sole benefit of the Parties and their respective heirs, legatees, devisees, executors, administrators and permitted successors and assigns, and nothing in this Agreement shall give or be construed to give any other person or entity any legal or equitable rights.

Section15.12 **Successors and Assigns.** Each of the covenants, conditions and agreements contained in this Agreement shall inure to the benefit of and shall apply to and be binding upon the Parties hereto and their respective heirs, legatees, devisees, executors, administrators and permitted successors and assigns. Nothing in this Section 15.12 shall in any way alter the provisions of this Agreement restricting assignment.

Section15.13 **Time of the Essence.** Time is of the essence with respect to the performance of every provision in this Agreement.

Section15.14 **Survivability.** Except as otherwise provided in this Agreement to the contrary, the covenants and **obligations** of the Parties to this Agreement shall survive the Closing indefinitely.

Section15.15 Business Days. If the Closing Date or any other date described in this Agreement by which one Party hereto must give notice to the other Party hereto or perform or fulfill an obligation hereunder is a

Calendar Day that is not a Business Day, then the Closing Date or such other date shall be automatically extended to the next succeeding Business Day.

Section15.16 **Joint Liability.** If more than one person or entity executes this Agreement as Seller, then (a) each of them is jointly and severally liable for the keeping, observing and performing of all of the terms, covenants, conditions, provisions and agreements of this Agreement to be kept, observed or performed by Seller, and such terms, covenants, conditions, provisions and agreements shall be binding with the same force and effect upon each and all of the persons executing this Agreement as Seller, and (b) the term "Seller" as used in this Agreement shall mean and include each of them, jointly and severally. Furthermore, all of the covenants, agreements, obligations, liabilities, indemnification undertakings, certifications, representations and warranties of Seller in this Agreement and in the Transaction Documents shall be deemed to be joint and several covenants, agreements, obligations, liabilities, indemnification undertakings, certifications, representations and warranties of Seller and Ascend Wellness Holdings, LLC, a Massachusetts limited liability company (the "Joiner"), and may be enforced against either of them, concurrently and successively, in such order as Buyer may determine.

Section15.17 **Construction.** Buyer and Seller have each participated in the drafting and negotiation of this Agreement, and the language in all parts of this Agreement shall be in all cases construed as a whole according to its fair meaning and not strictly for or against either Buyer or Seller.

Section15.18 **Independent Obligations.** Notwithstanding anything to the contrary contained in this Agreement, Seller's obligations under this Agreement are independent and shall not be conditioned upon performance by Buyer.

Section15.19 **Facsimile and PDF Signatures.** A facsimile or portable document format (PDF) signature on this Agreement shall be equivalent to, and have the same force and effect as, an original signature.

Section15.20 **Covenant and Condition.** Each provision of this Agreement performable by Seller shall be deemed both a covenant and a condition.

Section15.21 **Reasonable Consent.** Whenever consent or approval of either Party is required pursuant to this Agreement, that party shall not unreasonably withhold, condition or delay such consent or approval, except as may be expressly set forth to the contrary in this Agreement.

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IN WITNESS WHEREOF, the Parties have executed this Agreement as of the date set forth opposite each Party's name below.

SELLER: ASCEND ATHOL RE LLC,
a Massachusetts limited liability company

By: /s/ Francis Perullo
Name: Francis Perullo
Title: Manager

BUYER: IIP OPERATING PARTNERSHIP, LP,
a Delaware limited partnership

By: /s/ Brian Wolfe
Name: Brian Wolfe
Title: Vice President, General Counsel and Secretary

CONSENT OF ESCROW AGENT

The undersigned Escrow Agent hereby agrees to: (i) accept the foregoing Agreement; (ii) establish the Escrow and be Escrow Agent under said Agreement; (iii) to make all filings required under Section 6045 of the Internal Revenue Code of 1986, as amended; and (iv) be bound by said Agreement in the performance of its duties as Escrow Agent; provided, however, the undersigned shall have no obligations, liability or responsibility under (a) this Consent or otherwise, unless and until said Agreement, fully signed by the parties, has been delivered to the undersigned, or (b) any amendment to said Agreement unless and until the same is accepted by the undersigned in writing.

Dated: January ___, 2020

[REDACTED]

By _____
Name:
Title:

JOINERS' SEPARATE UNDERTAKING

Pursuant to Section 15.16 of the foregoing Agreement, for value received, the undersigned, Ascend Wellness Holdings, LLC, a Massachusetts limited liability company, hereby acknowledges and agrees that the covenants, agreements, obligations, liabilities, indemnification undertakings, certifications, representations and warranties of Seller in the foregoing Agreement and in the Transaction Documents (as defined in the foregoing Agreement) shall be joint and several covenants, agreements, obligations, liabilities, indemnification undertakings, certifications, representations and warranties of Seller and of the undersigned, and may be enforced against Seller and/or the undersigned, concurrently or successively, in such order as Buyer may determine.

The undersigned shall continue to be liable pursuant to this undertaking and the provisions hereof shall remain in full force and effect notwithstanding any modifications or amendment of the foregoing Agreement or the Transaction Documents or any other act, omission or conditions which might in any manner or to any extent vary the risk to the undersigned or might otherwise operate as a discharge or release of a guarantor or surety under any applicable law. The undersigned hereby fully and completely waives, releases and relinquishes (i) diligence and demand of payment, presentment, protest, dishonor and notice of dishonor; (ii) any and all other defenses and rights arising under applicable law, to the extent waivable; (iii) any and all benefits of any right of discharge under any and all statues or laws relating to a guarantor or surety, and (iv) any defense based upon the impairment, modification, change, release, discharge or limitation of the liability of Seller in bankruptcy, or resulting from or pursuant to, the application of the bankruptcy or insolvency laws of or any decision of any court of the United States or any state thereof. For the avoidance of doubt, the terms and conditions of this Joiner's Separate Undertaking shall survive the Closing.

ASCEND WELLNESS HOLDINGS, LLC

By: /s/ Francis Perullo

Name: Francis Perullo

Title: Manager

EXHIBIT A-1

SITE PLAN

[See attached]

EXHIBIT A-2

LEGAL DESCRIPTION OF PROJECT LAND

The following parcels of land, with all the factories and mills and all the machinery and equipment thereof, other buildings located thereon with their equipment, except as provided in the Master Deed to which this exhibit is attached, all structures, improvements, water rights, flowage rights, rights of way, easements and all other rights and privileges, hereditaments and appurtenances situated thereon or belonging or appertaining thereto, said parcel of land being bounded and described as follows:

FIRST PARCEL:

A. A certain tract of land lying on Miller's River in Athol, Massachusetts, and bounded on the east and south by land now or late of James W. Cheeney; on the west by land formerly of Waterman A. Fisher, and on the north by high-water mark of said river, by land now or late of Charles W. Davenport.

B. Also a certain other parcel of land situated in said Athol, bounded easterly by Chestnut Hill Avenue; southerly by land of the Fitchburg Railroad, westerly by land formerly of Waterman A. Fisher and by the Cotton Mill Pond, so called, northwesterly and northerly by said Pond and by said Miller's River, said last-described parcel being the same premises conveyed to Sarah E. Cheeney by Charlotte S. Baker by deed dated December 16, 1880, and recorded with Worcester District Registry of Deeds, Book 1085, Page 290, excepting so much of said parcel as has been taken by the Town of Athol or by the Fitchburg Railroad for the purpose of raising the grade of Main Street in said Athol.

C. All land owned by the Mortgagor on said Miller's River, the "Cheeney Water Privilege", so called, and the water rights and flowage rights, connected with and appurtenant to said water privilege.

D. A certain tract of land situated in said Athol bounded and described as follows, viz.:

BEGINNING at a stone bound in the northerly line of Ward Street at corner of land of Mabel M. McNutt;

THENCE northerly by said MacNutt's west line 192 feet to a bound;

THENCE easterly in a line parallel with Goddard Street about twenty-six feet to a bound;

THENCE southerly in a straight line to the place of beginning.

E. A certain tract of land situated on the westerly side of Chestnut Hill Avenue in said Athol, and bounded and described as follows, viz.:

BEGINNING at a bound at the northeasterly corner thereof,

THENCE southerly in the westerly line of said avenue about one hundred thirty feet to land of Rebecca Osborne;

THENCE North 68° 15' West about two hundred seventy-four feet to a bound at land now or late of J.B. Cardany Estate;

THENCE northerly by said Cardany land and land now or late of John Tway about one hundred twenty-six feet to a stone monument at land now or late of Sarah E. Goddard;

THENCE South 68° 15' East about three hundred six feet to the place of beginning.

Excepting from the operation of this conveyance all rights as granted to James Cotton and others by Walter L. White and Ernest H. White by their deed to the said Sarah E. Goddard, dated December 21, 1892.

Being the same premises conveyed to Edgar T. Ward by the said Sarah E. Goddard by deed dated April 29, 1907, and recorded with said Registry in Book 1854, Page 558.

F. A certain tract of land situated on the easterly side of said Chestnut Hill Avenue, in said Athol, and bounded and described as follows, vix.:

BEGINNING at the northeasterly corner thereof at a stake and stones in the southerly line of Goddard Street;

THENCE at about a right angle with said southerly line, on land now or late of Herbert S. Goddard, to stake and stones at land of one Bragg;

THENCE westerly in the line of an old wall, on land of said Bragg and land of Alfred Goddard to land of Frances L. Whitney;

THENCE northerly by said Whitney land to an angle in the wall;

THENCE westerly, still on said Whitney land, to the easterly line of said Chestnut Hill Avenue;

THENCE northerly, in said easterly line of said avenue, to the southerly line of Goddard Street;

THENCE easterly, in said southerly line of said Goddard Street about five hundred seventy- two feet to the place of beginning.

Excepting from the operation of this conveyance the right of Job Frye and Goodell Goddard, if any exist, as reserved in a deed from Ephraim Goddard to Lewis Thorpe, et al, dated March 2, 1866.

Being the same premises conveyed to Edgar T. Ward by Herbert B. Goddard by deed dated April 29, 1907, and recorded with Worcester District Registry of Deeds, Book 1852, Page 465. But excepting from the foregoing property specifically described such lands thereof and such interests therein as were conveyed out by the following deeds from Union Twist Drill Company: to John McKay, Book 1990, Page 1457, to George R. Starrett, Book 1990, Page 478; to John J. McKay, Book 1998, Page 103; to James Graham, Book 2059, Page 517; to Emma H. Gregson, Book 2059, Page 519; to Mabel MacNutt, Book 2059, Page 556; to Mabel MacNutt, Book 2069, Page 359; to Fred P. Johnson, Book 2069, Page 361, to Robert R. Ray, Book 2069, Page 364, to Sidney M. Greene, Book 2069, Page 366; to Alfred Goddard, Book 270, Page 94; to Napoleon F. Perron, Book 2070, Page 101; to James A. Melivin, Book 2077, Page 520; to Rose A. Duquay, Book 2101, Page 182; to John T. Lee, Book 2108, Page 190; to Arthur E.B. Williams, Book 2118, Page 195; to Mabel F. Kimball, Book 2118, Page 198; to Leo K. Hight, Page 2118, Page 505; to Eugene J. Valhere and Mamie M. Valhere, Book 2154, Page 264, to Albert L. Seely, Book 2167, Page 227; to Margaret M. Macklin recorded in Book 2225, Page 132.

SECOND PARCEL:

A parcel of land situated in said Athol, bounded and described as follows: viz:

BEGINNING at a Worcester Highway Bound in the northerly line of the Vermont and Massachusetts Railroad;

THENCE by the northerly line of said Railroad counterclockwise on a curve with a radius of 1,824.09 feet a distance of forty-six and 12/100 (46.12) feet to a Worcester Highway Bound;

THENCE by said northerly line of the Vermont and Massachusetts Railroad, South 54° 31' 30" West twelve and 53/100 (12.53) feet to a Worcester County Highway Bound;

THENCE by the northerly line of Main Street North 65° 34' 48" West seventeen and 92/100 (17.92) feet to a Worcester Highway Bound;

THENCE by land of The L.S. Starrett Company, in a northerly direction sixty-nine and 8/10 (69.8) feet to an iron pipe near the south bank of Miller's River;

THENCE northeasterly by a bank of Miller's River about two hundred twenty-six (226) feet to an iron pipe near a corner of fence formerly of Litton Industrial Products, Inc.;

THENCE by land nor or formerly of Litton Industrial Products, Inc., southerly along a fence about one hundred seven and $^{1}/_{2}$ (107.5) feet to a point;

THENCE by other land formerly of Litton Industrial Products, Inc. southerly along a fence about sixty-five (65) feet to a point;

THENCE by other land formerly of Litton Industrial Products, Inc. southerly along a fence about thirty five (35) feet to a point in the northerly line of the Vermont and Massachusetts Railroad;

THENCE by the northerly line of said Railroad about ninety-three (93) feet to the point of beginning.

The first three courses in the above description are as shown on a 1938 Worcester County Plan of relocation of Main Street, Decree of 1239 Plan H-2661.

For title see deed recorded in Book 9302, Page 323

Together with Declarant’s rights under the Grant of Easement and Agreement by L.P. Athol Corporation dated August 16, 2018, recorded with said Deeds in Book 59288, Page 367.

Being the same premises conveyed to Declarant by deed of MassGrow LLC, dated September 21, 2018, recorded with said Deeds in Book 59457, Page 370.

EXHIBIT B

SELLER'S DEED

RECORDING REQUESTED BY AND WHEN RECORDED MAIL AND SEND TAX BILLS TO: IIP-[____] LLC 11440 West Bernardo Court Suite 100 San Diego, CA 92127 Attn: General Counsel	

(SPACE ABOVE FOR RECORDER'S USE)

QUITCLAIM DEED

COMMONWEALTH OF MASSACHUSETTS

WORCESTER COUNTY

THIS QUITCLAIM DEED, made and entered into as of the _____ day of _____, 2020, by and between ASCEND ATHOL RE LLC, a Massachusetts limited liability company ("Grantor"), and IIP-[___] LLC, a Delaware limited liability company, having an address of 11440 West Bernardo Court, Suite 100, San Diego, California 92127 ("Grantee").

KNOW ALL MEN BY THESE PRESENTS, that Grantor for [_____] Dollars ($_____) paid to it by said Grantee (the receipt and adequacy of which is hereby acknowledged), does by these presents, grant to said Grantee, with Quitclaim Covenants, that certain real estate situated in the County of Worcester and Commonwealth of Massachusetts, and legally described on **Exhibit A** attached hereto and incorporated herein (the "Property"),

Being the premises known as 134 Chestnut Hill Avenue, Unit 2, in Athol, Massachusetts.

Being a portion of the premises conveyed to the Grantor by deed from MassGrow LLC dated September 21, 2018 and recorded with the Worcester County Registry of Deeds in Book 59457, Page 370.

This conveyance is not a sale of all or substantially all of the assets of Grantor in the Commonwealth of Massachusetts.

(Signature and Acknowledgment appear on the following page)

Executed this ____ day of [_____], 2020.

GRANTOR:

ASCEND ATHOL RE LLC,
a Massachusetts limited liability company

By: _____
Name: _____
Title: _____

COMMONWEALTH OF MASSACHUSETTS

_____ County _____, 2020

On this date, _____, 2020, before me, the undersigned notary public, personally appeared _____, proved to me through satisfactory evidence of identification, which was (personal knowledge) (driver's license) to be the person whose name is signed on the preceding or attached document, and acknowledged to me that he signed it voluntarily as _____ for its stated purpose.

_____
Notary Public
Printed Name: _____
My Commission Expires _____

EXHIBIT A
TO QUITCLAIM DEED

LEGAL DESCRIPTION OF REAL PROPERTY

ADDRESS: 134 Chestnut Hill Avenue, Unit 2
Athol, Massachusetts

[LEGAL DESCRIPTION TO BE ADDED]

EXHIBIT C

BILL OF SALE

For good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, _____, a _____ ("Grantor"), hereby sells, conveys, transfers and releases to _____, a _____ ("Grantee"), the personal property more particularly described in Exhibit 1 attached hereto and incorporated herein by this reference, and all other tangible and intangible personal property located on or used in connection with the ownership, management and/or operation of the real property more particularly described in Exhibit 2 attached hereto and incorporated herein by this reference.

This Bill of Sale is being entered into pursuant to and in accordance with that certain Purchase and Sale Agreement and Joint Escrow Instructions, dated effective [_____], 2019, as amended and assigned, by and between Grantor, as "Seller," and Grantee, as "Buyer" ("Purchase Agreement").

EXECUTED and to be made effective as of the date of the Closing, as said term is defined in the Purchase Agreement.

GRANTOR:

By: EXHIBIT - DO NOT SIGN

TITLE

Exhibit 1
To Bill of Sale

Personal Property

All fixtures, trade fixtures, vehicles, machinery, appliances, tools, signs, equipment, systems, telephone equipment and systems, computer equipment and systems, satellite dishes and related equipment and systems, security equipment and systems, inventories, supplies and all other items of tangible and intangible personal property located on or used in connection with the ownership, management and/or operation of the real property described in Exhibit 2 to this Bill of Sale.

Exhibit 2
To Bill of Sale

Legal Description of Real Property

[Legal description to be inserted]

EXHIBIT D

CERTIFICATE OF NON-FOREIGN STATUS

The undersigned, being duly sworn, hereby deposes, certifies and states on oath as follows:

1. That the undersigned, _____ ("Transferor"), is duly authorized to execute this Certificate and Affidavit;

2. That Transferor's principal place of business is _____;

3. That Transferor is not a "foreign corporation," "foreign partnership," "foreign trust," or "foreign estate," as such terms are defined in the United States Internal Revenue Code of 1986, as amended (the "Code"), and Regulations promulgated thereunder, and is not otherwise a "foreign person," as defined in Section 1445 of the Code;

4. That Transferor is not a disregarded entity as defined in Section 1.1445-2(b)(2)(iii) of the Treasury Regulations;

5. That Transferor's United States taxpayer identification number is:_____;

6. That the undersigned is making this Certificate and Affidavit pursuant to the provisions of Section 1445 of the Code in connection with the sale of the real property described on Exhibit 1 attached hereto and incorporated herein by reference, by Transferor to _____ ("Transferee"), which sale constitutes the disposition by Transferor of a United States real property interest, for the purposes of establishing that Transferee is not required to withhold tax pursuant to Section 1445 of the Code in connection with such disposition; and

7. That the undersigned acknowledges that this Certificate and Affidavit may be disclosed to the Internal Revenue Service and other applicable governmental agencies by Transferee, that this Certificate and Affidavit is made under penalty of perjury, and that any false statement made herein could be punished by fine, imprisonment, or both.

Under penalty of perjury, I declare that I have examined the foregoing Certificate and Affidavit and I hereby certify that it is true, correct and complete.

TRANSFEROR:

_____

By: EXHIBIT – DO NOT SIGN

Title: _____

[INSERT NOTARY]

Exhibit 1
To Certificate of Non-Foreign Status

Legal Description of Real Property

[Legal description to be inserted]

EXHIBIT E

ASSIGNMENT AND ASSUMPTION OF CONTRACTS

THIS ASSIGNMENT AND ASSUMPTION OF CONTRACTS ("Assignment") is made and dated for reference purposes as of _____, 20___, by and between _____ ("Assignor") and _____ ("Assignee"), both of whom may be referred to herein as the "Parties."

RECITALS

A. Assignor and Assignee are parties to that certain Purchase and Sale Agreement and Joint Escrow Instructions, dated as of [_____], 2020, as amended and assigned (the "Purchase Agreement"). Capitalized terms used in this Assignment without definition shall have the meaning given to such terms in the Purchase Agreement.

B. This Assignment is made pursuant to, as required by, and subject to the terms and conditions of the Purchase Agreement.

NOW, THEREFORE, for good and valuable consideration, the receipt of which is hereby acknowledged, Assignor and Assignee hereby agree as follows:

1. Assignment of Contracts. Effective as of the Closing, Assignor hereby assigns, transfers and sets over to Assignee all of Assignor's right, title and interest, in, to and under the contracts and agreements listed or described on Exhibit 1 attached hereto and incorporated herein by reference (the "Assumed Contracts").

2. Assumption of Obligations. Effective as of the Closing, Assignee hereby assumes and agrees to perform all of the obligations, terms and covenants of Assignor under each of the Assumed Contracts, which obligations, terms and covenants accrue on or after the Closing.

3. Indemnification by Assignor. Assignor hereby agrees to reimburse, indemnify, defend and hold harmless Assignee, and its officers, directors, shareholders, employees and agents, for, from, of and against any and all claims, demands, liabilities, losses, damages, costs and expenses (including without limitation reasonable attorneys' fees) arising out of or relating to the breach by Assignor of any of the obligations, terms and/or covenants of Assignor under or pursuant to the Assumed Contracts, which obligations, terms and/or covenants accrue prior to the Closing.

4. Indemnification by Assignee. Assignee hereby agrees to reimburse, indemnify, defend and hold harmless Assignor, and its partners, affiliates, employees and agents, for, from, of and against any and all claims, demands, liabilities, losses, damages, costs and expenses (including without limitation reasonable attorneys' fees) arising out of or relating to the breach by Assignee of any of the obligations, terms and/or covenants of Assignor under or pursuant to the Assumed Contracts, which obligations, terms and/or covenants accrue on or after the Closing.

5. Governing Law. This Assignment shall be governed by the laws of the Commonwealth of Massachusetts. The proper venue for any claims, causes of action or other proceedings concerning this Assignment shall be in the state and federal courts located in the County of Worcester, Commonwealth of Massachusetts.

6. Binding Effect. This Assignment and the provisions contained herein shall be binding upon and inure to the benefit of Assignor and Assignee and their respective successors and assigns.

7. Attorneys' Fees. In the event of any legal action between Assignor and Assignee arising out of or in connection with this Assignment, the prevailing party shall be entitled to recover from the other party reasonable attorneys' fees and costs incurred in such action and any appeal therefrom.

8. Cooperation. Assignor hereby agrees to and shall execute and deliver to Assignee any and all documents, agreements and instruments necessary to consummate the transactions contemplated by this Assignment.

9. Counterparts. This Assignment may be executed in counterparts, each of which shall constitute an original, but all of which together shall constitute one and the same agreement.

IN WITNESS WHEREOF, the parties hereto have executed this Assignment as of the date first above written.

ASSIGNOR:

_____

By: EXHIBIT – DO NOT SIGN

Title: _____

ASSIGNEE:

_____

By: EXHIBIT – DO NOT SIGN

Title: _____

Exhibit 1
To Assignment and Assumption of Contracts

Assumed Contracts

EXHIBIT F

ASSIGNMENT OF PERMITS, ENTITLEMENTS AND INTANGIBLE PROPERTY

THIS ASSIGNMENT OF PERMITS, ENTITLEMENTS AND INTANGIBLE PROPERTY (the "Assignment") is made and dated for reference purposes as of _____, 20__ and is entered into by _____ ("Assignor") in favor of _____ ("Assignee").

RECITALS

A. Assignor and Assignee are parties to that certain Purchase and Sale Agreement and Joint Escrow Instructions, dated [_____], 2020, as amended and assigned ("Purchase Agreement"). Unless otherwise expressly defined herein, capitalized terms used herein without definition shall have the same meaning given to such terms in the Purchase Agreement.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereto agree as follows:

1. Assignment by Assignor. Effective as of the Closing, Assignor hereby transfers and assigns to Assignee the Intangible Property and the Permits and Entitlements.

2. Successors and Assigns. This Assignment shall be binding upon and inure to the benefit of the successors, assigns, personal representatives, heirs and legatees of the respective Parties hereto.

3. Attorneys' Fees. In the event of any legal action between Assignor and Assignee arising out of or in connection with this Assignment, the prevailing party shall be entitled to recover from the other party reasonable attorneys' fees and costs incurred in such action and any appeal therefrom.

4. Governing Law; Jurisdiction and Venue. This Assignment shall be governed by, interpreted under, and construed and enforceable with, the laws of the Commonwealth of Massachusetts. The proper venue for any claims, causes of action or other proceedings concerning this Assignment shall be in the state and federal courts located in the County of Worcester, Commonwealth of Massachusetts.

5. Counterparts. This Assignment may be executed in multiple counterparts, each of which shall be deemed an original, but all of which together constitute one and the same instrument.

6. Cooperation. Assignor hereby agrees to and shall execute and deliver to Assignee any and all documents, agreements and instruments necessary to consummate the transactions contemplated by this Assignment.

IN WITNESS WHEREOF, Assignor and Assignee have caused this Assignment to be executed as of the day and year first above written.

ASSIGNOR:

_____

By: EXHIBIT – DO NOT SIGN

Title: _____

ASSIGNEE:

_____

By: EXHIBIT – DO NOT SIGN

Title: _____

EXHIBIT G

GENERAL PROVISIONS OF ESCROW

THESE GENERAL PROVISIONS OF ESCROW ("General Provisions"), are being entered into pursuant to that certain Purchase and Sale Agreement and Joint Escrow Instructions, dated _____, 20___, by and between _____, as the "Seller,", and _____, as the "Buyer," as the same may be amended from time to time ("Purchase Agreement"). Capitalized terms used herein without definition shall have the meanings given to such terms in the Purchase Agreement.

THE PARTIES UNDERSTAND AND ACKNOWLEDGE:

1. Deposit of Funds and Disbursements. Unless directed in writing by Seller or Buyer, as applicable, to establish a separate, interest-bearing account together with all necessary taxpayer reporting information, all funds received by Escrow Agent shall be deposited in general escrow accounts in a federally insured financial institution ("Depositories"). All disbursements shall be made by Escrow Agent's check or by wire transfer unless otherwise instructed in writing by the party to receive such disbursement. The Good Funds Law requires that Escrow Agent have confirmation of receipt of funds prior to disbursement.

2. Disclosure of Possible Benefits to Escrow Agent. As a result of Escrow Agent maintaining its general escrow accounts with the Depositories, Escrow Agent may receive certain financial benefits such as an array of bank services, accommodations, loans or other business transactions from the Depositories ("Collateral Benefits"). Notwithstanding the foregoing, the term Collateral Benefits shall not include any interest that accrues or is earned on the Initial Deposit and in no event and under no circumstance shall Escrow Agent be entitled to receive and retain any interest that accrues or is earned on the Initial Deposit. All Collateral Benefits shall accrue to the sole benefit of Escrow Agent and Escrow Agent shall have no obligation to account to the parties to this Escrow for the value of any such Collateral Benefits.

3. Miscellaneous Fees. Escrow Agent may incur certain additional costs on behalf of the parties for services performed by third party providers. The fees charged by Escrow Agent for such services shall not include a mark up or premium over the direct cost of such services.

4. Prorations and Adjustments. All prorations and/or adjustments shall be made in accordance with the Purchase Agreement.

5. Contingency Periods. Escrow Agent shall not be responsible for monitoring contingency time periods between the Parties.

6. Reports. As an accommodation, Escrow Agent may agree to transmit orders for inspection, termite, disclosure and other reports if requested, in writing or orally, by the parties or their agents. Escrow Agent shall deliver copies of any such reports as directed. Escrow Agent is not responsible for reviewing such reports or advising the parties of the content of the same.

7. Recordation of Documents. Escrow Agent is authorized to prepare, obtain, record and deliver the necessary instruments to carry out the terms and conditions of this Escrow and, to the extent that Escrow Agent is also the Title Company, to issue the ALTA Extended Coverage Policy at Closing, subject to and in accordance with the Purchase Agreement or pursuant to separate written instructions to Escrow Agent executed by Seller.

8. Conflicting Instructions and Disputes. No notice, demand or change of instructions shall be of any effect in this Escrow unless given in writing by Seller and Buyer. In the event a demand for the Initial Deposit and/or any other amounts in this Escrow is made which is not concurred with by Seller and Buyer (regardless of who made demand therefor), Escrow Agent may elect to file a suit in interpleader and obtain an order from the court allowing Escrow Agent to deposit all funds and documents in court and have no further liability with respect thereto.

If an action is brought involving this Escrow and/or Escrow Agent, Seller and Buyer agree to indemnify and hold Escrow Agent harmless against liabilities, damages and costs incurred by Escrow Agent (including reasonable attorney's fees and costs) except to the extent that such liabilities, damages and costs were caused by the negligence, gross negligence or willful misconduct of Escrow Agent.

9. Amendments to General Provisions. Any amendment to these General Provisions must be mutually agreed to by Seller and Buyer and accepted by Escrow Agent. The Purchase Agreement and these General Provisions shall constitute the entire escrow agreement between the Escrow Agent and the parties hereto with respect to the subject matter of the Escrow.

10. Copies of Documents; Authorization to Release. Escrow Agent is authorized to rely upon copies of documents, which include facsimile, electronic, NCR, or photocopies as if they were an originally executed document. If requested by Escrow Agent, the originals of such documents shall be delivered to Escrow Agent. Documents to be recorded MUST contain original signatures. Escrow Agent may furnish copies of any and all documents to the lender(s), real estate broker(s), attorney(s) and/or accountant(s) involved in this transaction upon their request.

11. Execution in Counterpart. These General Provisions and any amendments may be executed in one or more counterparts, each of which shall be deemed an original, and all of which taken together shall constitute the same instruction.

12. Tax Reporting, Withholding and Disclosure. The Parties are advised to seek independent advice concerning the tax consequences of this transaction, including but not limited to, their withholding, reporting and disclosure obligations. Escrow Agent does not provide tax or legal advice and the parties agree to hold Escrow Agent harmless from any loss or damage that the parties may incur as a result of their failure to comply with federal and/or state tax laws. EXCEPT AS OTHERWISE REQUIRED UNDER APPLICABLE LAW, WITHHOLDING OBLIGATIONS ARE THE EXCLUSIVE OBLIGATIONS OF THE PARTIES AND ESCROW AGENT IS NOT RESPONSIBLE TO PERFORM THESE OBLIGATIONS UNLESS ESCROW AGENT AGREES IN WRITING.

13. Taxpayer Identification Number Reporting. Federal law requires Escrow Agent to report Seller's social security number and/or tax identification number, forwarding address, and the gross sales price to the Internal Revenue Service. Escrow cannot be closed nor any documents recorded until the information is provided and Seller certifies the accuracy of such information to Escrow Agent.

14. Purchase Agreement. In the event of any conflict between the terms and conditions of the Purchase Agreement and the terms and conditions of these General Provisions, the terms and conditions of the Purchase Agreement shall govern.

15. Notices. All notices relating to these General Provisions shall be given in compliance with the Notice provisions set forth in the Purchase Agreement.

SELLER:

_____

By: EXHIBIT – DO NOT SIGN

Title: _____

Date: _____, 20___

BUYER:

_____

By: EXHIBIT – DO NOT SIGN

Title: _____

Date: _____, 20___

ESCROW AGENT:

_____

By: EXHIBIT – DO NOT SIGN

Title: _____

EXHIBIT H

FORM OF LEASE

(see attached)

SCHEDULE 1.0

LIST OF SELLER'S DELIVERIES

PROPERTY DILIGENCE

1) **Property Acquisition:** Purchase and Sale Agreement and ancillary documents regarding purchase of Property
2) **FF&E** – detailed breakdown of FF&E now owned or expected to be acquired to support operations, including costs
3) **Approvals** - Evidence of approvals, zoning and permitting for the Property, including evidence of support from the local jurisdiction as necessary
4) **Build-out Plans** – drawings, approvals, permitting, budgets, GC contract / bids for TI work to be done at the Property
5) **Title Policy / Survey –** most recent issued policy of title insurance, together with copies of all listed exceptions, and current draft policy of title insurance as well as most recent survey
6) **Environmental –** environmental reports, including those generated by third parties
7) **Physical –** Physical Condition report, if available
8) **Taxes** – current Property tax bills and assessor's statements of current assessed value

TENANT DILIGENCE

1) General Company Information

a. Entity structure chart, including all subs, affiliates, parent companies and ultimate beneficial owners
b. Organizational documents for all entities listed in Item 1.a.
c. Schedule of banks with which the company has accounts
d. List of currently held dispensary, processing, and cultivation licenses and a list of licenses to be acquired / locations where a license is being applied for.
e. Evidence of state cannabis licenses, and correspondence with state authority regarding status of issuance of permanent licensing where applicable (Massachusetts, for example).

2) Financial Information

a. Detailed financial statements for each operating entity and consolidated, including income statements, statements of cash flows and balance sheets, to the extent available
b. Copies of any sales agreements with dispensaries
c. Copies of any equity financing documents and capitalization table
d. All loan/credit agreements, security documents, letters of credit, indemnity letters and guarantees to which the company (or any of the entities in 1.a.) is a party (including intercompany loans)
e. Current financial projections, business plans and internal budgets
f. All documents pursuant to which the company is a guarantor or is otherwise contingently liable for the obligations of another entity
g. Any investor presentations or other materials provided to investors in the past two years

3) Management Information

a. Schedule of officers (and their titles), directors and advisors
b. Biographies on officers and directors, including reasonable detail regarding management's and the Board's experience in the cannabis industry

INSURANCE / LEGAL [FOR BOTH PROPERTY AND TENANT]

1) Schedule of insurance policies, including broker, limits, retentions and coverage bases
2) Any notice of cancellation, termination or non-renewal or denial of liability under any policy
3) Loss information for the past 5 years under any insurance policy

4) All pending or threatened litigation and other claims (judicial, administrative and arbitration) by or against the company (including guarantors) or to which the company is a party, including with respect to the Property
5) All judgments or decrees to which the company or any of its properties is subject
6) All notices and correspondence received from any governmental agency alleging any violation of law, rule or regulation, including those relating to any applicable state or local cannabis law, rule or regulation
7) Any litigation concluded during the past 3 years with a description of the disposition

Such other documents or materials concerning the Property, Seller, Tenant or Guarantor in the possession or under the reasonable control of Seller as may be reasonably requested by Buyer.

SCHEDULE 2.0

ENVIRONMENTAL DISCLOSURE STATEMENT

Reference is made to the following reports, the contents of which are incorporated by reference herein:

1. Phase I – Environmental Site Assessment dated July 28, 2018, prepared by [REDACTED] and submitted to MassGrow, LLC.

2. UST Closure Report dated June 17, 2019, prepared by [REDACTED] and submitted to MassGrow, LLC

SCHEDULE 3.0

EXCLUDED PROPERTY

To be completed by Seller during the Investigation Period.

Exhibit 10.6

FIRST AMENDMENT TO PURCHASE AND SALE AGREEMENT AND JOINT ESCROW INSTRUCTIONS

THIS FIRST AMENDMENT TO PURCHASE AND SALE AGREEMENT AND JOINT ESCROW INSTRUCTIONS (this "Amendment") is entered into effective as of the 7th day of February 2020, by and between ASCEND ATHOL RE LLC, a Massachusetts limited liability company ("Seller"), and IIP OPERATING PARTNERSHIP, LP, a Delaware limited partnership ("Buyer").

RECITALS

A. WHEREAS, Seller and Buyer are parties to that certain Purchase and Sale Agreement and Joint Escrow Instructions dated as of January 13, 2020 (the "Existing PSA"), where Seller has agreed to sell to Buyer, and Buyer has agreed to purchase from Seller, Seller's right, title and interest in certain real property located in Athol, Massachusetts, as more particularly described therein; and

B. WHEREAS, in accordance with Section 15.4 of the Existing PSA, Seller and Buyer desire to modify and amend the Existing PSA only in respects and on the conditions hereinafter stated.

AGREEMENT

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

1. Definitions. For purposes of this Amendment, capitalized terms shall have the meanings ascribed to them in the Existing PSA unless otherwise defined herein. The Existing PSA, as amended by this Amendment, is referred to collectively herein as the "Agreement." From and after the date hereof, the term "Agreement," as used in the Existing PSA, shall mean the Existing PSA, as amended by this Amendment.

2. Investigation Period. The first sentence of Section 4.1 of the Existing PSA is hereby amended and restated in its entirety to read as follows:

> "During the time period commencing upon the Effective Date of this Agreement, and terminating at 11:00 p.m. Eastern Time on February 28, 2020 (the "Investigation Period"), Buyer shall have the right to conduct and complete an investigation of all matters pertaining to the Property and Buyer's purchase thereof including, without limitation, the matters described in this Section 4.1."

3. Effect of Amendment. Except as modified by this Amendment, the Existing PSA and all the covenants, agreements, terms, provisions and conditions thereof shall remain in full force and effect and are hereby ratified and affirmed. In the event of any conflict between the terms contained in this Amendment and the Existing PSA, the terms herein contained shall supersede and control the obligations and liabilities of the parties.

4. Miscellaneous. This Amendment becomes effective only upon execution and delivery hereof by Seller and Buyer. The captions of the paragraphs and subparagraphs in this Amendment are inserted and included solely for convenience and shall not be considered or given any effect in construing the provisions hereof.

5. Authority. Each of Seller and Buyer guarantees, warrants and represents that the individual or individuals signing this Amendment have the power, authority and legal capacity to sign this Amendment on behalf of and to bind all entities, corporations, partnerships, limited liability companies or other organizations on whose behalf such individual or individuals have signed.

6. Counterparts; Facsimile and PDF Signatures. This Amendment may be executed in one or more counterparts, each of which, when taken together, shall constitute one and the same document. A facsimile or portable document format (PDF) signature on this Amendment shall be equivalent to, and have the same force and effect as, an original signature.

[REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, Seller and Buyer have executed this Amendment as of the date and year first above written.

SELLER:
ASCEND ATHOL RE LLC, a Massachusetts limited liability company

By: /s/ Abner Kurtin
Name: Abner Kurtin
Title: Manager

BUYER:
IIP OPERATING PARTNERSHIP, LP,
a Delaware limited partnership

By: /s/ Brian Wolfe
Name: Brian Wolfe
Title: Vice President, General Counsel and Secretary

SECOND AMENDMENT TO PURCHASE AND SALE AGREEMENT AND JOINT ESCROW INSTRUCTIONS

THIS SECOND AMENDMENT TO PURCHASE AND SALE AGREEMENT AND JOINT ESCROW INSTRUCTIONS (this "Amendment") is entered into effective as of the 28th day of February 2020, by and between ASCEND ATHOL RE LLC, a Massachusetts limited liability company ("Seller"), and IIP OPERATING PARTNERSHIP, LP, a Delaware limited partnership ("Buyer").

RECITALS

A. WHEREAS, Seller and Buyer are parties to that certain Purchase and Sale Agreement and Joint Escrow Instructions dated as of January 13, 2020, as amended by that certain First Amendment to Purchase and Sale Agreement and Joint Escrow Instructions dated as of February 7, 2020 (collectively, the "Existing PSA"), where Seller has agreed to sell to Buyer, and Buyer has agreed to purchase from Seller, Seller's right, title and interest in certain real property located in Athol, Massachusetts, as more particularly described therein; and

B. WHEREAS, in accordance with Section 15.4 of the Existing PSA, Seller and Buyer desire to modify and amend the Existing PSA only in respects and on the conditions hereinafter stated.

AGREEMENT

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

1. Definitions. For purposes of this Amendment, capitalized terms shall have the meanings ascribed to them in the Existing PSA unless otherwise defined herein. The Existing PSA, as amended by this Amendment, is referred to collectively herein as the "Agreement." From and after the date hereof, the term "Agreement," as used in the Existing PSA, shall mean the Existing PSA, as amended by this Amendment.

2. Investigation Period. The first sentence of Section 4.1 of the Existing PSA is hereby amended and restated in its entirety to read as follows:

> "During the time period commencing upon the Effective Date of this Agreement, and terminating at 11:00 p.m. Eastern Time on March 6, 2020 (the "Investigation Period"), Buyer shall have the right to conduct and complete an investigation of all matters pertaining to the Property and Buyer's purchase thereof including, without limitation, the matters described in this Section 4.1."

3. Effect of Amendment. Except as modified by this Amendment, the Existing PSA and all the covenants, agreements, terms, provisions and conditions thereof shall remain in full force and effect and are hereby ratified and affirmed. In the event of any conflict between the terms contained in this Amendment and the Existing PSA, the terms herein contained shall supersede and control the obligations and liabilities of the parties.

4. Miscellaneous. This Amendment becomes effective only upon execution and delivery hereof by Seller and Buyer. The captions of the paragraphs and subparagraphs in this Amendment are inserted and included solely for convenience and shall not be considered or given any effect in construing the provisions hereof.

5. Authority. Each of Seller and Buyer guarantees, warrants and represents that the individual or individuals signing this Amendment have the power, authority and legal capacity to sign this Amendment on behalf of and to bind all entities, corporations, partnerships, limited liability companies or other organizations on whose behalf such individual or individuals have signed.

6. Counterparts; Facsimile and PDF Signatures. This Amendment may be executed in one or more counterparts, each of which, when taken together, shall constitute one and the same document. A facsimile or portable document format (PDF) signature on this Amendment shall be equivalent to, and have the same force and effect as, an original signature.

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IN WITNESS WHEREOF, Seller and Buyer have executed this Amendment as of the date and year first above written.

SELLER:
ASCEND ATHOL RE LLC, a Massachusetts limited liability company

By: /s/ Abner Kurtin
Name: Abner Kurtin
Title: Managing Member

BUYER:
IIP OPERATING PARTNERSHIP, LP,
a Delaware limited partnership

By: /s/ Brian Wolfe
Name: Brian Wolfe
Title: Vice President, General Counsel and Secretary

THIRD AMENDMENT TO PURCHASE AND SALE AGREEMENT AND JOINT ESCROW INSTRUCTIONS

THIS THIRD AMENDMENT TO PURCHASE AND SALE AGREEMENT AND JOINT ESCROW INSTRUCTIONS (this "Amendment") is entered into effective as of the 6th day of March 2020, by and between ASCEND ATHOL RE LLC, a Massachusetts limited liability company ("Seller"), and IIP OPERATING PARTNERSHIP, LP, a Delaware limited partnership ("Buyer").

RECITALS

A. WHEREAS, Seller and Buyer are parties to that certain Purchase and Sale Agreement and Joint Escrow Instructions dated as of January 13, 2020, as amended by that certain First Amendment to Purchase and Sale Agreement and Joint Escrow Instructions dated as of February 7, 2020, and as amended by that certain Second Amendment to Purchase and Sale Agreement and Joint Escrow Instructions dated as of February 28, 2020 (collectively, the "Existing PSA"), where Seller has agreed to sell to Buyer, and Buyer has agreed to purchase from Seller, Seller's right, title and interest in certain real property located in Athol, Massachusetts, as more particularly described therein; and

B. WHEREAS, in accordance with Section 15.4 of the Existing PSA, Seller and Buyer desire to modify and amend the Existing PSA only in respects and on the conditions hereinafter stated.

AGREEMENT

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

1. Definitions. For purposes of this Amendment, capitalized terms shall have the meanings ascribed to them in the Existing PSA unless otherwise defined herein. The Existing PSA, as amended by this Amendment, is referred to collectively herein as the "Agreement." From and after the date hereof, the term "Agreement," as used in the Existing PSA, shall mean the Existing PSA, as amended by this Amendment.

2. Investigation Period. The first sentence of Section 4.1 of the Existing PSA is hereby amended and restated in its entirety to read as follows:

> "During the time period commencing upon the Effective Date of this Agreement, and terminating at 11:00 p.m. Eastern Time on March 13, 2020 (the "Investigation Period"), Buyer shall have the right to conduct and complete an investigation of all matters pertaining to the Property and Buyer's purchase thereof including, without limitation, the matters described in this Section 4.1."

1. Closing. Section 8.4 of the Existing PSA is hereby amended and restated in its entirety to read as follows:

> "**Closing.** The closing of the transaction contemplated by this Agreement ("Closing") shall take place at the offices of Escrow Agent or at such other location as may be mutually agreed upon by Seller and Buyer, on or before the expiration of the Investigation Period (as the same may be extended pursuant to this Agreement or by mutual written agreement of the parties) ("Closing Date")."

2. Effect of Amendment. Except as modified by this Amendment, the Existing PSA and all the covenants, agreements, terms, provisions and conditions thereof shall remain in full force and effect and are hereby

ratified and affirmed. In the event of any conflict between the terms contained in this Amendment and the Existing PSA, the terms herein contained shall supersede and control the obligations and liabilities of the parties.

3. Miscellaneous. This Amendment becomes effective only upon execution and delivery hereof by Seller and Buyer. The captions of the paragraphs and subparagraphs in this Amendment are inserted and included solely for convenience and shall not be considered or given any effect in construing the provisions hereof.

4. Authority. Each of Seller and Buyer guarantees, warrants and represents that the individual or individuals signing this Amendment have the power, authority and legal capacity to sign this Amendment on behalf of and to bind all entities, corporations, partnerships, limited liability companies or other organizations on whose behalf such individual or individuals have signed.

5. Counterparts; Facsimile and PDF Signatures. This Amendment may be executed in one or more counterparts, each of which, when taken together, shall constitute one and the same document. A facsimile or portable document format (PDF) signature on this Amendment shall be equivalent to, and have the same force and effect as, an original signature.

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IN WITNESS WHEREOF, Seller and Buyer have executed this Amendment as of the date and year first above written.

SELLER:
ASCEND ATHOL RE LLC, a Massachusetts limited liability company

By: /s/ Francis Perullo
Name: Francis Perullo
Title: Manager

BUYER:
IIP OPERATING PARTNERSHIP, LP,
a Delaware limited partnership

By: /s/ Brian Wolfe
Name: Brian Wolfe
Title: Vice President, General Counsel and Secretary

FOURTH AMENDMENT TO PURCHASE AND SALE AGREEMENT AND JOINT ESCROW INSTRUCTIONS

THIS FOURTH AMENDMENT TO PURCHASE AND SALE AGREEMENT AND JOINT ESCROW INSTRUCTIONS (this "Amendment") is entered into effective as of the 13th day of March 2020, by and between ASCEND ATHOL RE LLC, a Massachusetts limited liability company ("Seller"), and IIP OPERATING PARTNERSHIP, LP, a Delaware limited partnership ("Buyer").

RECITALS

A. WHEREAS, Seller and Buyer are parties to that certain Purchase and Sale Agreement and Joint Escrow Instructions dated as of January 13, 2020, as amended by that certain First Amendment to Purchase and Sale Agreement and Joint Escrow Instructions dated as of February 7, 2020, as amended by that certain Second Amendment to Purchase and Sale Agreement and Joint Escrow Instructions dated as of February 28, 2020, and as amended by that certain Third Amendment to Purchase and Sale Agreement and Joint Escrow Instructions dated as of March 6, 2020 (collectively, the "Existing PSA"), where Seller has agreed to sell to Buyer, and Buyer has agreed to purchase from Seller, Seller's right, title and interest in certain real property located in Athol, Massachusetts, as more particularly described therein; and

B. WHEREAS, in accordance with Section 15.4 of the Existing PSA, Seller and Buyer desire to modify and amend the Existing PSA only in respects and on the conditions hereinafter stated.

AGREEMENT

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

1. Definitions. For purposes of this Amendment, capitalized terms shall have the meanings ascribed to them in the Existing PSA unless otherwise defined herein. The Existing PSA, as amended by this Amendment, is referred to collectively herein as the "Agreement." From and after the date hereof, the term "Agreement," as used in the Existing PSA, shall mean the Existing PSA, as amended by this Amendment.

2. Investigation Period. The first sentence of Section 4.1 of the Existing PSA is hereby amended and restated in its entirety to read as follows:

> "During the time period commencing upon the Effective Date of this Agreement, and terminating at 11:00 p.m. Eastern Time on March 20, 2020 (the "Investigation Period"), Buyer shall have the right to conduct and complete an investigation of all matters pertaining to the Property and Buyer's purchase thereof including, without limitation, the matters described in this Section 4.1."

3. Effect of Amendment. Except as modified by this Amendment, the Existing PSA and all the covenants, agreements, terms, provisions and conditions thereof shall remain in full force and effect and are hereby ratified and affirmed. In the event of any conflict between the terms contained in this Amendment and the Existing PSA, the terms herein contained shall supersede and control the obligations and liabilities of the parties.

4. Miscellaneous. This Amendment becomes effective only upon execution and delivery hereof by Seller and Buyer. The captions of the paragraphs and subparagraphs in this Amendment are inserted and included solely for convenience and shall not be considered or given any effect in construing the provisions hereof.

5. Authority. Each of Seller and Buyer guarantees, warrants and represents that the individual or individuals signing this Amendment have the power, authority and legal capacity to sign this Amendment on behalf of and to bind all entities, corporations, partnerships, limited liability companies or other organizations on whose behalf such individual or individuals have signed.

6. Counterparts; Facsimile and PDF Signatures. This Amendment may be executed in one or more counterparts, each of which, when taken together, shall constitute one and the same document. A facsimile or portable document format (PDF) signature on this Amendment shall be equivalent to, and have the same force and effect as, an original signature.

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IN WITNESS WHEREOF, Seller and Buyer have executed this Amendment as of the date and year first above written.

SELLER:

ASCEND ATHOL RE LLC, a Massachussets limited liability company

By: /s/ Francis Perullo
Name: Francis Perullo aka Frank Perullo
Title: Manager

BUYER:

IIP OPERATING PARTNERSHIP, LP,
a Delaware limited Partnership

By: /s/ Brian Wolfe
Name: Brian Wolfe
Title: Vice President, General Counsel and Secretary

FIFTH AMENDMENT TO PURCHASE AND SALE AGREEMENT AND JOINT ESCROW INSTRUCTIONS

THIS FIFTH AMENDMENT TO PURCHASE AND SALE AGREEMENT AND JOINT ESCROW INSTRUCTIONS (this "Amendment") is entered into effective as of the 20th day of March 2020, by and between ASCEND ATHOL RE LLC, a Massachusetts limited liability company ("Seller"), and IIP-MA 4 LLC, a Delaware limited liability company ("Buyer").

RECITALS

A. WHEREAS, Seller and Buyer are parties to that certain Purchase and Sale Agreement and Joint Escrow Instructions dated as of January 13, 2020, as amended by that certain First Amendment to Purchase and Sale Agreement and Joint Escrow Instructions dated as of February 7, 2020, as amended by that certain Second Amendment to Purchase and Sale Agreement and Joint Escrow Instructions dated as of February 28, 2020, as amended by that certain Third Amendment to Purchase and Sale Agreement and Joint Escrow Instructions dated as of March 6, 2020, as amended by that certain Fourth Amendment to Purchase and Sale Agreement and Joint Escrow Instructions dated as of March 13, 2020, and as assigned by IIP Operating Partnership, LP, a Delaware limited partnership, to Buyer pursuant to an Assignment and Assumption of Purchase Agreement dated as of March 16, 2020 (collectively, the "Existing PSA"), where Seller has agreed to sell to Buyer, and Buyer has agreed to purchase from Seller, Seller's right, title and interest in certain real property located in Athol, Massachusetts, as more particularly described therein; and

B. WHEREAS, in accordance with Section 15.4 of the Existing PSA, Seller and Buyer desire to modify and amend the Existing PSA only in respects and on the conditions hereinafter stated.

AGREEMENT

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

1. Definitions. For purposes of this Amendment, capitalized terms shall have the meanings ascribed to them in the Existing PSA unless otherwise defined herein. The Existing PSA, as amended by this Amendment, is referred to collectively herein as the "Agreement." From and after the date hereof, the term "Agreement," as used in the Existing PSA, shall mean the Existing PSA, as amended by this Amendment.

2. Investigation Period. The first sentence of Section 4.1 of the Existing PSA is hereby amended and restated in its entirety to read as follows:

> "During the time period commencing upon the Effective Date of this Agreement, and terminating at 11:00 p.m. Eastern Time on April 3, 2020 (the "Investigation Period"), Buyer shall have the right to conduct and complete an investigation of all matters pertaining to the Property and Buyer's purchase thereof including, without limitation, the matters described in this Section 4.1."

3. Additional Property. The Parties have agreed to include Unit 1, as shown on the Site Plan, as part of the Property to be conveyed, transferred and assigned to Buyer pursuant to the Agreement. Accordingly, the definition of "Unit" in Article 1 of the Agreement is hereby amended and restated in its entirety as follows:

> "Units" shall mean Unit 1 and Unit 2 as shown on the Site Plan, together with an undivided ownership interest in the General Common Elements (as defined in the Condominium Documents) and any applicable Limited Common Elements (as defined in the Condominium Documents."

In addition, all other references to the term "Unit" in the Agreement shall be deemed amended to refer to the Units, collectively, or to each Unit, individually, as the context requires. The legal description of the Units is set forth on Exhibit A-3 to this Amendment.

4. Purchase Price. The first sentence of Section 2.2 of the Existing PSA is hereby amended and restated in its entirety to read as follows:

> The purchase price for the Property ("Purchase Price") shall be the sum of Twenty-Six Million Seven Hundred Fifty Thousand Dollars ($26,750.00).

5. Lease. The form of Lease attached as Exhibit H to the Existing PSA is hereby deleted in its entirety and replaced with the form of Lease attached hereto as Exhibit H and incorporated herein by reference. From and after the date hereof, all references in the Agreement to the "Lease" shall mean and refer to the Lease attached to this Amendment as Exhibit H.

6. Effect of Amendment. Except as modified by this Amendment, the Existing PSA and all the covenants, agreements, terms, provisions and conditions thereof shall remain in full force and effect and are hereby ratified and affirmed. In the event of any conflict between the terms contained in this Amendment and the Existing PSA, the terms herein contained shall supersede and control the obligations and liabilities of the parties.

7. Miscellaneous. This Amendment becomes effective only upon execution and delivery hereof by Seller and Buyer. The captions of the paragraphs and subparagraphs in this Amendment are inserted and included solely for convenience and shall not be considered or given any effect in construing the provisions hereof.

8. Authority. Each of Seller and Buyer guarantees, warrants and represents that the individual or individuals signing this Amendment have the power, authority and legal capacity to sign this Amendment on behalf of and to bind all entities, corporations, partnerships, limited liability companies or other organizations on whose behalf such individual or individuals have signed.

9. Counterparts; Facsimile and PDF Signatures. This Amendment may be executed in one or more counterparts, each of which, when taken together, shall constitute one and the same document. A facsimile or portable document format (PDF) signature on this Amendment shall be equivalent to, and have the same force and effect as, an original signature.

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IN WITNESS WHEREOF, Seller and Buyer have executed this Amendment as of the date and year first above written.

SELLER:
ASCEND ATHOL RE LLC, a Massachusetts limited liability company

By: /s/ Francis Perullo
Name: Francis Perullo aka Frank Perullo
Title: Manager

BUYER:
IIP-MA 4 LLC,
a Delaware limited partnership

By: /s/ Brian Wolfe
Name: Brian Wolfe
Title: Vice President, General Counsel and Secretary

EXHIBIT A-3

LEGAL DESCRIPTION OF UNITS

The Units known as Unit 1 and Unit 2 (collectively the "Units") in the Chestnut Hill Avenue Primary Condominium ("Condominium"), a condominium established pursuant to Massachusetts General Laws, Chapter 183A, as the same may have been or may hereafter be amended ("Chapter 183A") by Master Deed dated _____ and recorded with the Worcester County Registry of Deeds in Book _____, Page _____.

The Units are laid out as shown on a plan filed with the Master Deed and to which is affixed a verified statement in the form provided by Chapter 183A Section 9. It is subject to and with the benefit of the obligations, restrictions, rights and liabilities contained in Chapter 183A, the Master Deed and the By Laws recorded therewith, as the same may be amended from time to time.

The address of the Units is: 134 Chestnut Hill Avenue, Unit 2, Athol, MA and 134 Chestnut Hill Avenue, Unit 1, Athol, MA

EXHIBIT H

FORM OF LEASE

[See Attached]

Exhibit 10.11

CONFIDENTIAL TREATMENT REQUESTED - REDACTED COPY

LEASE

DATED

December 20, 2018

by and between

IIP-IL 1 LLC,
a Delaware limited liability company

and

ASCEND ILLINOIS, LLC,
an Illinois limited liability company

Certain identified information has been omitted from this exhibit because it is not material and would likely cause competitive harm to the registrant if publicly disclosed. [***] indicates that information has been omitted.

LEASE AGREEMENT

This Lease Agreement (this "**Lease**"), dated December 20, 2018 (the "**Execution Date**"), is made between IIP-IL 1 LLC, a Delaware limited liability company ("**Landlord**"), and ASCEND ILLINOIS, LLC, an Illinois limited liability company ("**Tenant**").

RECITALS

A. WHEREAS, concurrent with the execution of this Lease, Landlord closed on the purchase of certain real property (the "**Property**") and the improvements on the Property located at 420 Revolution Road, Barry, Illinois, including the building located thereon (the "**Building**" and, together with the Property, the "**Project**"), pursuant to that certain Purchase and Sale Agreement and Joint Escrow Instructions, dated December 13, 2018 (the "**Purchase Agreement**"), by and between Landlord and Tenant;

B. WHEREAS, Landlord wishes to lease to Tenant, and Tenant desires to lease from Landlord, the Premises (as defined below), pursuant to the terms and conditions of this Lease, as detailed below; and

C. WHEREAS, each of Ascend Illinois, Inc., Ascend Wellness Holdings, LLC, MassGrow, Inc., MassGrow, LLC, Ascend Mass, Inc., Ascend Mass, LLC, Ascend Friend Street RE LLC and Ascend Athol RE LLC ("**Guarantors**") is an affiliate of Tenant that is deriving a benefit from Landlord and Tenant entering into this Lease, and has agreed to enter into a guaranty in the form attached as Exhibit D hereto (the "**Guaranty**"), without which Landlord would not agree to enter into this Lease.

AGREEMENT

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

1. Lease of Premises. Landlord hereby leases to Tenant, and Tenant hereby leases from Landlord, the premises described on Exhibit A attached hereto, including shafts, cable runs, mechanical spaces, rooftop areas, landscaping, parking facilities, private drives and other improvements and appurtenances related thereto (including the Building), for use by Tenant in accordance with the Permitted Use (as defined below) and no other uses (collectively, the "**Premises**").

2. Basic Lease Provisions. For convenience of the parties, certain basic provisions of this Lease are set forth herein. The provisions set forth herein are subject to the remaining terms and conditions of this Lease and are to be interpreted in light of such remaining terms and conditions.

2.1. The monthly Base Rent for the first twelve (12) months of the Term of the Lease shall be equal to Two Hundred Eighty-One Thousand Two Hundred Fifty Dollars ($281,250.00), subject to subsequent adjustment under this Lease.

2.2. Security Deposit: The initial Security Deposit shall be Nine Hundred Thousand Dollars ($900,000.00), subject to subsequent adjustment under this Lease.

2.3. "**Permitted Use**": Agricultural growth, processing and dispensing of agricultural materials, including cannabis, industrial and office space, in accordance with current zoning for the Premises and in conformity with all Applicable Laws (as defined below). The Permitted Use shall include the cultivation and processing of cannabis plant parts and resins into products, and the storage of same for transport, and such other related use or uses permitted under Applicable Laws.

2.4. Address for Rent Payment: IIP-IL 1 LLC

[_____]
[_____]
[_____]
ABA [_____]
Account [_____]

2.5. Address for Notices to Landlord:

IIP-IL 1 LLC
11440 West Bernardo Court, Suite 220
San Diego, California 92127
Attn: General Counsel

2.6. Address for Notices and Invoices to Tenant:

Ascend Illinois, LLC
137 Lewis Wharf
Boston, MA 02110
Attn: Abner Kurtin

2.7. The following Exhibits are attached hereto and incorporated herein by reference:

Exhibit A Premises
Exhibit B Tenant's Personal Property
Exhibit C Form of Estoppel Certificate
Exhibit D Form of Guaranty
Exhibit E Work Letter
Exhibit E-1 Tenant Work Insurance Requirements

3. Term and Extension Options.

3.1. Term. The actual term of this Lease (as the same may be extended or earlier terminated in accordance with this Lease, the "**Term**") shall commence on the Execution Date (the "**Commencement Date**") and end on December 20, 2033, subject to extension or earlier termination of this Lease as provided herein.

3.2. Options to Extend Term. Tenant shall have two (2) options (each an "**Extension Option**") to extend the Term of this Lease for a period of five (5) years each (each an "**Extension Period**"), on the same terms and conditions in effect under this Lease immediately prior to the commencement of the Extension Period, except that (a) Tenant shall have no further right to extend the Term of this Lease after the second Extension Period, (b) the Base Rent payable during the Extension Period shall be an amount equal to Base Rent in effect immediately prior to the Extension Period, increased by [***] percent ([***]%) on an annual basis.

3.2.1. If Tenant exercises an Extension Option, such Extension Option shall apply to the entire Premises (and no less than the entire Premises). Tenant may exercise an Extension Option only by giving Landlord irrevocable and unconditional written notice thereof (the "**Extension Notice**") not later than twenty-four (24) months prior to the commencement date of the Extension Period. Upon delivery of the Extension Notice, Tenant shall be irrevocably bound to lease the Premises for the Extension Period.

3.2.2. Notwithstanding the foregoing, Tenant shall not have the right to exercise an Extension Option (i) during the time commencing from the date Landlord delivers to Tenant a written notice that Tenant is in default under any provisions of this Lease and continuing until Tenant has cured the specified default to Landlord's reasonable satisfaction; (ii) at any time after any Default (provided, however, that, for purposes of this Section

3.2(ii), Landlord shall not be required to provide Tenant with a notice of such Default) and continuing until Tenant cures any such Default, if such Default is susceptible to being cured; or (iii) in the event that Tenant has defaulted in the performance of its obligations under this Lease three (3) or more times during the six (6)-month period immediately prior to the date that Tenant intends to exercise an Extension Option, whether or not Tenant has cured such defaults.

3.2.3. If Tenant shall fail to timely exercise the Extension Option in accordance with the provisions of this Section 3.2, then the Extension Option shall terminate, and shall be null and void and of no further force and effect. If this Lease or Tenant's right to possession of the Premises shall terminate in any manner whatsoever before Tenant shall exercise the Extension Option, or if Tenant shall have assigned or transferred any interest in this Lease or sublet any part of the Premises (other than in the case of a Permitted Transfer as set forth in Section 16.8 below, then immediately upon such termination, assignment, transfer or sublease, the Extension Option shall simultaneously terminate and become null and void. Time is of the essence with regard to this Section 3.2.

3.2.4. The Extension Options are conditioned upon each Guarantor executing an amendment to such Guarantor's Guaranty that explicitly extends such Guarantor's obligations so that each Guarantor guarantees Tenant's Lease obligations incurred pursuant to Tenant's timely and proper exercise of an Extension Option.

4. Possession.

4.1. Possession. Tenant hereby acknowledges that immediately prior to the Commencement Date, Tenant was in possession of the Premises, and is familiar with the condition thereof and accepts the Premises in its "as is" condition with all faults, and Landlord makes no representation or warranty of any kind with respect the Premises, and Landlord will have no obligation to improve, alter or repair the Premises. It is understood and agreed that Landlord is not obligated to install any equipment, or make any repairs, improvements or alterations to the Premises. Tenant's continued occupancy and possession of the Premises following the Closing (as defined in the Purchase Agreement) shall conclusively establish that the Premises, the Building and the Project were at such time in good, sanitary and satisfactory condition and repair.

4.2. NOTWITHSTANDING ANYTHING TO THE CONTRARY HEREIN, IT IS EXPRESSLY UNDERSTOOD AND AGREED THAT LANDLORD IS LEASING THE PREMISES "AS IS" AND "WHERE IS," AND WITH ALL FAULTS, AND THAT LANDLORD IS MAKING NO REPRESENTATIONS AND WARRANTIES WHETHER EXPRESS OR IMPLIED, BY OPERATION OF LAW OR OTHERWISE, WITH RESPECT TO THE QUALITY OR PHYSICAL CONDITION OF THE PREMISES, THE INCOME OR EXPENSES FROM OR OF THE PREMISES, OR THE COMPLIANCE OF THE PREMISES WITH APPLICABLE BUILDING OR FIRE CODES, ENVIRONMENTAL LAWS OR OTHER LAWS, RULES, ORDERS OR REGULATIONS. WITHOUT LIMITING THE FOREGOING, IT IS UNDERSTOOD AND AGREED THAT LANDLORD MAKES NO WARRANTY WITH RESPECT TO THE HABITABILITY, SUITABILITY, MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE. TENANT AGREES THAT IT ASSUMES FULL RESPONSIBILITY FOR, AND THAT IT HAS PERFORMED EXAMINATIONS AND INVESTIGATIONS OF THE PREMISES, INCLUDING SPECIFICALLY, WITHOUT LIMITATION, EXAMINATIONS AND INVESTIGATIONS FOR THE PRESENCE OF ASBESTOS, PCBS AND OTHER HAZARDOUS SUBSTANCES, MATERIALS AND WASTES (AS THOSE TERMS MAY BE DEFINED HEREIN OR BY APPLICABLE FEDERAL OR STATE LAWS, RULES OR REGULATIONS) ON OR IN THE PREMISES. WITHOUT LIMITING THE FOREGOING, TENANT IRREVOCABLY WAIVES ALL CLAIMS AGAINST LANDLORD WITH RESPECT TO ANY ENVIRONMENTAL CONDITION, INCLUDING CONTRIBUTION AND INDEMNITY CLAIMS, WHETHER STATUTORY OR OTHERWISE. TENANT ASSUMES FULL RESPONSIBILITY FOR ALL COSTS AND EXPENSES REQUIRED TO CAUSE THE PREMISES TO COMPLY WITH ALL APPLICABLE BUILDING AND FIRE CODES, MUNICIPAL ORDINANCES, ENVIRONMENTAL LAWS AND OTHER LAWS, RULES, ORDERS, AND REGULATIONS.

4.3. Holding Over.

4.3.1. If, with Landlord's prior written consent, Tenant holds possession of all or any part of the Premises after the Term, Tenant shall become a tenant from month-to-month after the expiration or earlier termination of the Term, and in such case Tenant shall continue to pay (a) Base Rent, as adjusted in accordance with Section 6, (b) Additional Rent, and (c) any amounts for which Tenant would otherwise be liable under this Lease if the Lease were still in effect. Any such month-to-month tenancy shall be subject to every other term, covenant and agreement contained herein.

4.3.2. If Tenant retains possession of any portion of the Premises after the Term without Landlord's prior written consent, then (a) Tenant shall be a tenant at sufferance subject to the terms and conditions of this Lease, except that the monthly rent shall be equal to [***] percent ([***]%) of the monthly Rent in effect during the last thirty (30) days of the Term, and (b) Tenant shall be liable to Landlord for any and all damages suffered by Landlord directly as a result of such holdover, including any lost rent or consequential, special and indirect damages (in each case, regardless of whether such damages are foreseeable).

4.3.3. Acceptance by Landlord of Rent after the expiration or earlier termination of the Term shall not result in an extension, renewal or reinstatement of this Lease. The foregoing provisions of this Section 4 are in addition to and do not affect Landlord's right of reentry or any other rights of Landlord hereunder or as otherwise provided by Applicable Laws. The provisions of this Section 4 shall survive the expiration or earlier termination of this Lease.

5. Tenant Improvements.

5.1. Tenant shall cause appropriate improvements consistent with the Permitted Use (the "**Tenant Improvements**") to be constructed in the Premises pursuant to the Work Letter attached hereto as Exhibit E (the "**Work Letter**") at a cost to Landlord not to exceed Six Million Dollars ($6,000,000.00) (the "**TI Allowance**"). The TI Allowance may be applied to the costs of (a) construction, (b) project review by Landlord (which fee shall equal [***] percent ([***]%) of the cost of the Tenant Improvements, including the TI Allowance), (c) commissioning of mechanical, electrical and plumbing systems by a licensed, qualified commissioning agent hired by Tenant, and review of such party's commissioning report by a licensed, qualified commissioning agent hired by Landlord, (d) space planning, architect, engineering and other related services performed by third parties unaffiliated with Tenant, (e) building permits and other taxes, fees, charges and levies by governmental authorities for permits or for inspections of the Tenant Improvements, and (f) costs and expenses for labor, material, equipment and fixtures. In no event shall the TI Allowance be used for (m) the cost of work that is not authorized by the Approved Plans (as defined in the Work Letter) or otherwise approved in writing by Landlord, (n) payments to Tenant or any affiliates of Tenant, (o) the purchase of any furniture, personal property or other non-building system equipment, (p) costs resulting from any default by Tenant of its obligations under this Lease or (q) costs that are recoverable by Tenant from a third party (e.g., insurers, warrantors, or tortfeasors).

5.2. Tenant shall have until December 20, 2031 to request disbursement for the final installment of the TI Allowance, and may request no more than five (5) disbursements of the TI Allowance, with each disbursement (other than the final disbursement) being no less than [***] Dollars ($[***]). Landlord's obligation to disburse any of the TI Allowance shall be conditional upon Tenant's satisfaction of the conditions precedent to funding of the TI Allowance set forth in Section 6.3 of the Work Letter. In addition, Landlord’s obligation to disburse any of the TI Allowance in excess of [***] Dollars ($[***]) shall be conditioned upon the satisfaction of the following: (a) Tenant's delivery to Landlord of a certificate of occupancy for the Premises suitable for the Permitted Use, as applicable; (b) Tenant's delivery to Landlord of a Certificate of Substantial Completion in the form of the American Institute of Architects document G704, executed by the project architect and the general contractor or such other form or certification as may be reasonably acceptable to Landlord; (c) Tenant's satisfaction of the conditions precedent to funding of the TI Allowance set forth in Section 6.3 of the Work Letter; and (d) there shall be no uncured event of default by Tenant under this Lease.

6. Rent.

6.1. Rent. Base Rent and Additional Rent (as defined below) shall together be denominated "**Rent**." Rent shall be paid by ACH, wire transfer or check (but in no event may Rent be payable in cash unless Landlord provides its consent to such form of payment, in Landlord's sole and absolute discretion) to Landlord, without abatement, deduction or offset, in lawful money of the United States of America to the address set forth in Section 2 or to such other person or at such other place as Landlord may from time designate in writing. In the event the Term commences on a day other than the first day of a calendar month or ends on a day other than the last day of a calendar month, then the Rent for such fraction of a month shall be prorated for such period on the basis of the number of days in the month and shall be paid at the then-current rate for such fractional month.

6.2. Base Rent. Tenant shall pay to Landlord as Base Rent for the Premises, commencing on the Commencement Date, the sums set forth in Section 2, subject to the rental adjustments provided in Section 6.5. Base Rent shall be paid in equal monthly installments, subject to the rental adjustments provided in Section 6.5, each in advance on, or before, the first day of each and every calendar month during the Term; provided that, so long as Tenant is not in default of its obligations under this Lease, One Hundred One Thousand Two Hundred Fifty Dollars (101,250.00) shall be abated for each month, or portion thereof, that the full Holdback Escrow Amount (as defined in the Purchase Agreement) is held by the Escrow Agent (as defined in the Purchase Agreement). Upon distribution of any portion of the Holdback Escrow Amount to any party in accordance with the terms of the Holdback Escrow Agreement (as defined in the Purchase Agreement), monthly Base Rent shall increase by [***] Dollars ($[***]) for every [***] Dollars ($[***]) of Holdback Escrow Amount so released. For illustration purposes only, if [***] Dollars ($[***]) is disbursed in accordance with the Holdback Escrow Agreement, then monthly Base Rent shall increase by [***] Dollars ($[***]).

6.3. Additional Rent. In addition to Base Rent, Tenant shall pay to Landlord as additional rent ("**Additional Rent**") at times hereinafter specified in this Lease (a) amounts related to Operating Expenses and Taxes (each as defined below), unless paid directly by Tenant to third parties to whom such amounts are owed, (b) the Property Management Fee (as defined below) and (c) any other amounts that Tenant assumes or agrees to pay under the provisions of this Lease that are owed to Landlord (whether or not such amounts are referred to herein as "Additional Rent"), including any and all other sums that may become due by reason of any default of Tenant or failure on Tenant's part to comply with the agreements, terms, covenants and conditions of this Lease to be performed by Tenant.

6.3.1. Operating Expenses. Tenant will pay directly all Operating Expenses of the Premises in a timely manner and prior to delinquency, unless otherwise specified herein that Landlord shall pay directly such Operating Expenses and receive reimbursement from Tenant. In the event that Tenant fails to pay any Operating Expense within ten (10) days after written notice by Landlord to Tenant, and without being under any obligation to do so and without hereby waiving any default by Tenant, Landlord may pay any delinquent Operating Expenses. Any Operating Expense paid by Landlord and any expenses reasonably incurred by Landlord in connection with the payment of the delinquent Operating Expense may be billed immediately to Tenant, or at Landlord's option and upon written notice to Tenant, may be deducted from the Security Deposit. "**Operating Expenses**" means all costs and expenses incurred by Landlord with respect to the ownership, maintenance and operation of the Premises including, but not limited to: insurance, maintenance, repair and replacement of the foundation, roof, walls, heating, ventilation, air conditioning, plumbing, electrical, mechanical, utility and safety systems, paving and parking areas, roads and driveways; maintenance of exterior areas such as gardening and landscaping, snow removal and signage; maintenance and repair of roof membrane, flashings, gutters, downspouts, roof drains, skylights and waterproofing; painting; lighting; cleaning; refuse removal; security; utilities for, or the maintenance of, outside areas; building personnel costs; personal property taxes; rentals or lease payments paid by Landlord for rented or leased personal property used in the operation or maintenance of the Premises; and fees for required licenses and permits.

6.3.2. Taxes. Tenant will promptly pay to Landlord upon Landlord's written request the amount of all Taxes levied and assessed for any such year upon the Premises. "**Taxes**" means any and all real estate taxes, fees, assessments and other charges of any kind or nature, whether general, special, ordinary or extraordinary, that Landlord shall pay or accrue (without regard to any different fiscal year used by such governmental authority) that

are levied in respect of the Premises, or in respect of any improvement, fixture, equipment or other property of Landlord, real or personal, located at the Premises, or used in connection with the operation of the Premises, and all fees, expenses, and costs incurred by Landlord in investigating, protesting, contesting, or in any way seeking to reduce or avoid increases in any assessments, levies, or the tax rate pertaining to the Taxes. Taxes shall not include Landlord's corporate franchise taxes, estate taxes, inheritance taxes or federal or state income taxes.

6.3.3. Estimated Costs. If and to the extent applicable, within sixty (60) days after the Commencement Date, and within sixty (60) days after the beginning of each calendar year, Landlord shall give Tenant a written estimate, for such calendar year, of the cost of Taxes and Operating Expenses payable by Landlord. Tenant shall pay such estimated amount to Landlord in equal monthly installments, in advance. Within ninety (90) days after the end of each calendar year, Landlord shall furnish to Tenant a statement showing in reasonable detail the cost of Taxes and Operating Expenses paid or payable by Landlord (the "**Annual Statement**"), and Tenant shall pay to Landlord the cost incurred by Landlord in excess of the payments made by Tenant within ten (10) days of receipt of such Annual Statement. In the event that the payments made by Tenant to Landlord for the estimated Taxes and Operating Expenses exceed the aggregate amount set forth in the Annual Statement, such excess amount shall be credited by Landlord to the Rent or other charges next due and owing, provided that, if the Term has expired, Landlord shall accompany said statement with the amount due Tenant.

6.3.4. Property Management Fee. Tenant shall pay to Landlord on, or before, the first day of each calendar month of the Term, as Additional Rent, the Property Management Fee. The "**Property Management Fee**" shall equal [***] percent ([***]%) of the then-current Base Rent due from Tenant. Tenant shall pay the Property Management Fee with respect to the entire Term, including any extensions thereof or any holdover periods, regardless of whether Tenant is obligated to pay Base Rent or any other Rent with respect to any such period or portion thereof.

6.3.5. Absolute Net Lease. This Lease shall be deemed and construed to be an "absolute net lease" and, except as herein expressly provided, the Landlord shall receive all payments required to be made by Tenant, free from all charges, assessments, impositions, expenses, deductions of any and every kind or nature whatsoever. Tenant shall, at Tenant's sole cost and expense, maintain the landscaping and parking lot, and make all additional repairs and alterations as required to maintain the Premises consistent with industry best practices.

6.4. Security Deposit. On or before the Execution Date of this Lease, Tenant shall deposit the sum in cash set forth in Section 2.2 (the "**Security Deposit**"), which sum shall be held by Landlord as security for the faithful performance by Tenant of all of the terms, covenants and conditions of this Lease to be kept and performed by Tenant during the Term. Landlord shall not be required to maintain a separate account for the Security Deposit, but may intermingle it with other funds of Landlord. Upon distribution of any portion of the Holdback Escrow Amount to any party in accordance with the terms of the Holdback Escrow Agreement, the Security Deposit shall increase by [***] Dollars for every [***] Dollars ($[***]) of Holdback Escrow Amount so released. For illustration purposes only, if the full [***] Dollars ($[***]) of the Holdback Escrow Amount is disbursed in accordance with the Holdback Escrow Agreement, then the Security Deposit shall increase by [***] Dollars ($[***]). If Tenant defaults with respect to any provision of this Lease, then without notice to Tenant, Landlord may (but shall not be required to) apply all or any part of the Security Deposit for the payment of any Rent or any other sum in default. If any portion of the Security Deposit is so used or applied, then Tenant shall, upon demand therefor, restore the Security Deposit to its original amount. If Tenant shall fully and faithfully perform every provision of this Lease to be performed by it, then the unapplied portion of the Security Deposit shall be returned to Tenant, or, at Landlord's option, to the last assignee of Tenant's interest hereunder, within sixty (60) days following the expiration of the Term. Tenant shall not be entitled to any interest on the Security Deposit. Tenant hereby irrevocably waives and relinquishes any and all rights, benefits, or protections, if any, Tenant now has, or in the future may have under any provision of law which (i) establishes the time frame by which a landlord must refund a security deposit under a lease, or (ii) provides that a landlord may claim from a security deposit only those sums reasonably necessary to remedy defaults in the payment of rent, to repair damage caused by a tenant, or to clean the subject premises. Tenant acknowledges and agrees that (A) any statutory time frames for the return of a security deposit are superseded by the express period identified in this Section 6.4, and (B) rather than be so limited, Landlord may claim from the Security Deposit (i) any and all sums expressly identified in this Section 6.4, and (ii) any additional

sums reasonably necessary to compensate Landlord for any and all losses or damages caused by Tenant's default of this Lease, including, but not limited to, all damages or rent due upon termination of this Lease. In the event of bankruptcy or other debtor-creditor proceedings against Tenant, the Security Deposit shall be deemed to be applied first to the payment of Rent and other charges due Landlord for all periods prior to the filing of such proceedings. Provided that (a) no default by Tenant under this Lease has occurred and is continuing and (b) Tenant has achieved an EBITDA (as defined below) for the immediately preceding six (6) month period that is equal to two times the then-current Base Rent for such time period (the "**EBITDA Condition**"), the Security Deposit shall be reduced to Eight Hundred Forty-Three Thousand Seven Hundred Fifty Dollars ($843,750.00) (the "**Reduced Security Deposit**"). For purposes of the foregoing, the term "**EBITDA**" shall mean net income before interest, taxes, depreciation and amortization. Landlord shall be required to deliver to Tenant the portion of the Security Deposit retained by Landlord that is in excess of the Reduced Security Deposit within thirty (30) days after (x) Tenant has delivered to Landlord reasonable supporting documentation that Tenant has satisfied the conditions set forth in Subsections (a) and (b) above, including a certification from the principal financial officer of Tenant confirming that such conditions have been satisfied and that the documentation provided to Landlord evidencing satisfaction of the EBITDA Condition is true, correct and complete in all material respects and does not contain any misrepresentations or omissions of facts, and (y) Landlord has approved such documentation and agrees that such conditions have been satisfied. If the Tenant subsequently fails to meet the EBITDA Condition at any time during the Term, then Tenant shall be required to promptly deliver to Landlord an amount sufficient to increase the Security Deposit held by Landlord back to the sum of One Million Four Hundred Six Thousand Two Hundred Fifty Dollars ($1,406,250.00). Following the reduction of the Security Deposit to the Reduced Security Deposit, upon Landlord's request, Tenant shall promptly deliver to Landlord such documentation as may be reasonably required by Landlord to assess whether the EBITDA Condition remains satisfied.

6.5. Base Rent Adjustments. Base Rent shall be subject to an annual upward adjustment of [***] percent ([***]%) of the then-current Base Rent. The first such adjustment shall become effective commencing on the first annual anniversary of the Commencement Date, and subsequent adjustments shall become effective on every successive annual anniversary for so long as this Lease continues in effect.

6.6. No Discharge of Rent Obligations. Tenant's obligation to pay Rent shall not be discharged or otherwise affected by (a) any Applicable Laws now or hereafter applicable to the Premises, (b) any other restriction on Tenant's use, (c) except as expressly provided herein, any casualty or taking or (d) any other occurrence; and Tenant waives all rights now or hereafter existing to terminate or cancel this Lease or quit or surrender the Premises or any part thereof, or to assert any defense in the nature of constructive eviction to any action seeking to recover rent. Tenant's obligation to pay Rent with respect to any period or obligations arising, existing or pertaining to the period prior to the date of the expiration or earlier termination of the Term or this Lease shall survive any such expiration or earlier termination; provided, however, that nothing in this sentence shall in any way affect Tenant's obligations with respect to any other period. Except as expressly provided in this Lease, Tenant, to the extent now or hereafter permitted by Applicable Laws, waives all rights now or hereafter conferred by statute or otherwise to quit, terminate or surrender this Lease or to any diminution, abatement or reduction of Rent payable hereunder.

7. Use.

7.1. Use. Tenant shall use the Premises solely for the Permitted Use, and shall not use the Premises, or permit or suffer the Premises to be used, for any other purpose without Landlord's prior written consent, which consent Landlord may withhold in its sole and absolute discretion. Tenant shall comply, and cause Tenant Parties to comply, with all Applicable Laws, zoning ordinances and certificates of occupancy issued for the Premises or any portion thereof. Tenant shall not use any portion of the roof of the Premises. Tenant shall not commit, or allow Tenant Parties to commit, any waste of the Premises. Tenant shall not do, or permit Tenant Parties to do, anything on or about the Premises that in any way increases the rate, or invalidates or prevents the procuring, of any insurance protecting against loss or damage to any portion of the Premises or its contents, or against liability for damage to property or injury to persons in or about any portion of the Premises. For purposes hereof, "**Tenant Parties**" means Tenant's agents, contractors, subcontractors, employees, customers, licensees, invitees, assignees and subtenants; and the term "**Applicable Laws**" means all federal (to the extent not in direct conflict with applicable state, municipal or local cannabis licensing and program laws, rules and regulations), state, municipal and local laws,

codes, ordinances, rules and regulations of governmental authorities, committees, associations, or other regulatory committees, agencies or governing bodies having jurisdiction over the Premises or any portion thereof, Landlord or Tenant, including both statutory and common law, hazardous waste rules and regulations, and state cannabis licensing and program laws, rules and regulations. Tenant may only place equipment within the Premises with floor loading consistent with the Building's structural design unless Tenant obtains Landlord's prior written approval. Tenant may place such equipment only in a location designed to carry the weight of such equipment.

7.2. Legal Compliance. Notwithstanding any other provision herein to the contrary, Tenant shall be responsible for all improvements or alterations required to be made and all liabilities, costs and expenses arising out of or in connection with the compliance of the Premises with Applicable Laws, including, without limitation, the Americans with Disabilities Act, 42 U.S.C. § 12101, et seq., and any state and local accessibility laws, codes, ordinances and rules (collectively, and together with regulations promulgated pursuant thereto, the "**ADA**"), and Tenant shall indemnify, save, defend (at Landlord's option and with counsel reasonably acceptable to Landlord) and hold the Landlord Indemnitees harmless from and against any Claims arising out of any such failure of the Premises to comply with Applicable Laws, including, without limitation, the ADA.

7.3. Indemnification. Tenant shall indemnify, save, defend (at Landlord's option and with counsel reasonably acceptable to Landlord) and hold Landlord and its affiliates, lenders, employees, agents and contractors (collectively, the "**Landlord Indemnitees**") harmless from and against any and all demands, claims, liabilities, losses, costs, expenses, criminal or civil actions, forfeiture seizures, causes of action, damages, suits or judgments, and all reasonable expenses (including reasonable attorneys' fees, charges and disbursements, regardless of whether the applicable demand, claim, action, cause of action or suit is voluntarily withdrawn or dismissed) incurred in investigating or resisting the same (collectively, "**Claims**") of any kind or nature that arise before, during or after the Term as a result of Tenant's breach of this Section 7.

8. Hazardous Materials.

8.1. Tenant shall not cause or permit any Hazardous Materials (as defined below) to be brought upon, kept or used in or about the Premises in violation of Applicable Laws by Tenant or any Tenant Party. If (a) Tenant breaches such obligation, (b) the presence of Hazardous Materials as a result of such a breach results in contamination of the Premises, any portion thereof, or any adjacent property, (c) contamination of the Premises otherwise occurs during the Term or any extension or renewal hereof or holding over hereunder or (d) contamination of the Premises occurs as a result of Hazardous Materials that are placed on or under or are released into the Premises by a Tenant Party, then Tenant shall indemnify, save, defend (at Landlord's option and with counsel reasonably acceptable to Landlord) and hold the Landlord Indemnitees harmless from and against any and all Claims of any kind or nature, including (w) diminution in value of the Premises or any portion thereof, (x) damages for the loss or restriction on use of rentable or usable space or of any amenity of the Premises, (y) damages arising from any adverse impact on marketing of space in the Premises or any portion thereof and (z) sums paid in settlement of Claims that arise before, during or after the Term as a result of such breach or contamination. This indemnification by Tenant includes costs incurred in connection with any investigation of site conditions or any clean-up, remedial, removal or restoration work required by any governmental authority because of Hazardous Materials present in the air, soil or groundwater above, on, under or about the Premises. Without limiting the foregoing, if the presence of any Hazardous Materials in, on, under or about the Premises, any portion thereof or any adjacent property caused or permitted by any Tenant Party results in any contamination of the Premises, any portion thereof or any adjacent property, then Tenant shall promptly take all actions at its sole cost and expense as are necessary to return the Premises, any portion thereof or any adjacent property to its respective condition existing prior to the time of such contamination; provided that Landlord's written approval of such action shall first be obtained, which approval Landlord shall not unreasonably withhold; and provided, further, that it shall be reasonable for Landlord to withhold its consent if such actions could have a material adverse long-term or short-term effect on the Premises, any portion thereof or any adjacent property. Tenant's obligations under this Section shall not be limited by any limitation on the amount or type of damages, compensation or benefits payable by or for Tenant under workers' compensation acts, disability benefit acts, employee benefit acts or similar legislation.

8.2. Landlord acknowledges that it is not the intent of this Section 8 to prohibit Tenant from operating its business for the Permitted Use. Tenant may operate its business according to the custom of Tenant's industry so long as the use or presence of Hazardous Materials is strictly and properly monitored in accordance with Applicable Laws. As a material inducement to Landlord to allow Tenant to use Hazardous Materials in connection with its business, Tenant agrees to deliver to Landlord (a) a list identifying each type of Hazardous Material to be present at the Premises that is subject to regulation under any environmental Applicable Laws in the form of a Tier II form pursuant to Section 312 of the Emergency Planning and Community Right-to-Know Act of 1986 (or any successor statute) or any other form reasonably requested by Landlord, (b) a list of any and all approvals or permits from governmental authorities required in connection with the presence of such Hazardous Material at the Premises and (c) correct and complete copies of notices of violations of Applicable Laws related to Hazardous Materials (collectively, "**Hazardous Materials Documents**"). Tenant shall deliver to Landlord updated Hazardous Materials Documents, within fourteen (14) days after receipt of a written request therefor from Landlord, not more often than once per year, unless (m) there are any changes to the Hazardous Materials Documents or (n) Tenant initiates any Tenant Improvements or Alterations or changes its business, in either case in a way that involves any material increase in the types or amounts of Hazardous Materials. In the event that a review of the Hazardous Materials Documents indicates non-compliance with this Lease or Applicable Laws, Tenant shall, at its expense, diligently take steps to bring its storage and use of Hazardous Materials into compliance. Notwithstanding anything in this Lease to the contrary or Landlord's review into Tenant's Hazardous Materials Documents or use or disposal of hazardous materials, however, Landlord shall not have and expressly disclaims any liability related to Tenant's or other tenants' use or disposal of Hazardous Materials, it being acknowledged by Tenant that Tenant is best suited to evaluate the safety and efficacy of its Hazardous Materials usage and procedures.

8.3. Tenant represents and warrants to Landlord that Tenant is not, nor has it been, in connection with the use, disposal or storage of Hazardous Materials, (a) subject to a material enforcement order issued by any governmental authority or (b) required to take any remedial action.

8.4. At any time, and from time to time, prior to the expiration of the Term, Landlord shall have the right to conduct appropriate tests of the Premises or any portion thereof to demonstrate that Hazardous Materials are present or that contamination has occurred due to the acts or omissions of a Tenant Party, the cost of which shall be an Operating Expense. Such inspections shall be made only after Landlord provides notice to and receives approval from the relevant regulatory authorities regarding the testing.

8.5. If underground or other storage tanks storing Hazardous Materials installed or utilized by Tenant are located on the Premises, or are hereafter placed on the Premises by Tenant (or by any other party, if such storage tanks are utilized by Tenant), then Tenant shall monitor the storage tanks, maintain appropriate records, implement reporting procedures, properly close any underground storage tanks, and take or cause to be taken all other steps necessary or required under the Applicable Laws.

8.6. Tenant shall promptly report to Landlord any actual or suspected presence of mold or water intrusion at the Premises.

8.7. Tenant's obligations under this Section 8 shall survive the expiration or earlier termination of the Lease. During any period of time needed by Tenant or Landlord after the termination of this Lease to complete the removal from the Premises of any such Hazardous Materials, Tenant shall be deemed a holdover tenant and subject to the provisions of Section 4.

8.8. As used herein, the term "**Hazardous Material**" means any toxic, explosive, corrosive, flammable, infectious, radioactive, carcinogenic, mutagenic or otherwise hazardous substance, material or waste that is or becomes regulated by Applicable Laws or any governmental authority.

9. Alterations.

9.1. Tenant shall not make any alterations, additions or improvements in or to the Premises or engage in any construction, demolition, reconstruction, renovation or other work (whether major or minor) of any kind in, at

or serving the Premises ("**Alterations**"), without obtaining Landlord's prior written consent, which shall not be unreasonably withheld, except Tenant may make non-structural Alterations to the interior of the Premises (excluding the roof) without such consent but upon at least ten (10) days' prior notice to Landlord, provided that the cost thereof does not exceed [***] Dollars ($[***]) per occurrence or an aggregate amount of [***] Dollars ($[***]) annually. Notwithstanding the foregoing, Tenant will not do anything that could have a material adverse effect on the Building or life safety systems, without obtaining Landlord's prior written consent. Any such improvements, excepting movable furniture, trade fixtures and equipment, shall become part of the realty and belong to Landlord. All alterations and improvements shall be properly permitted and installed at Tenant's sole cost, by a licensed contractor, in a good and workmanlike manner, and in conformity with all Applicable Laws. Any alterations that Tenant shall desire to make and which require the consent of Landlord shall be presented to Landlord in written form with detailed plans. Tenant shall: (i) acquire all applicable governmental permits; (ii) furnish Landlord with copies of both the permits and the plans and specifications at least thirty (30) days before the commencement of the work, and (iii) comply with all conditions of said permits in a prompt and expeditious manner. Any alterations shall be performed in a workmanlike manner with good and sufficient materials. Upon completion of any Alterations, Tenant shall promptly upon completion furnish Landlord with a reproducible copy of as-built drawings and specifications for any Alterations.

9.2. At least twenty (20) days prior to commencing any work relating to any Alterations requiring the approval of Landlord that have been so approved, Tenant shall notify Landlord in writing of the expected date of commencement. Tenant shall pay, when due, all claims for labor or materials furnished to or for Tenant for use in improving the Premises. Tenant shall not permit any mechanics' or materialmen's liens to be levied against the Premises arising out of work performed, materials furnished, or obligations to have been performed on the Premises by or at the request of Tenant. Tenant shall indemnify, save, defend (at Landlord's option and with counsel reasonably acceptable to Landlord) and hold Landlord Indemnitees from and against any and all Claims of any kind or nature that arise before, during or after the Term on account of claims of lien of laborers or materialmen or others for work performed or materials or supplies furnished for Tenant or its contractors, agents or employees. If Tenant fails to discharge or undertake to defend against such liability, upon receipt of written notice from Landlord of such failure, Tenant shall have fifteen (15) days (the "**Defense Cure Period**") to cure such failure by prosecuting such a defense. If Tenant fails to do so within the Defense Cure Period, then Landlord may settle the same and Tenant's liability to Landlord shall be conclusively established by such settlement provided that such settlement is entered into on commercially reasonable terms and conditions, the amount of such liability to include both the settlement consideration and the costs and expenses (including attorneys' fees) incurred by Landlord in effecting such settlement. In the event any contractor, agent or employee notifies Tenant of its intent to file a mechanics' or materialmen's lien against the Premises, Tenant shall immediately notify Landlord of such intention to file a lien or a lawsuit with respect to such lien.

9.3. Tenant shall repair any damage to the Premises caused by Tenant's removal of any property from the Premises. During any such restoration period, Tenant shall pay Rent to Landlord as provided herein as if such space were otherwise occupied by Tenant. The provisions of this Section shall survive the expiration or earlier termination of this Lease.

9.4. The Premises plus any Alterations, Tenant Improvements, attached equipment, decorations, fixtures and trade fixtures; movable casework and related appliances; and other additions and improvements attached to or built into the Premises made by either of the parties (including all floor and wall coverings; paneling; sinks and related plumbing fixtures; attached benches; production equipment; walk-in refrigerators; ductwork; conduits; electrical panels and circuits; attached machinery and equipment; and built-in furniture and cabinets, in each case, together with all additions and accessories thereto), shall (unless, prior to such construction or installation, Landlord elects otherwise in writing) at all times remain the property of Landlord, shall remain in the Premises and shall (unless, prior to construction or installation thereof, Landlord elects otherwise in writing) be surrendered to Landlord upon the expiration or earlier termination of this Lease. For the avoidance of doubt, the items listed on Exhibit B attached hereto (which Exhibit B may be updated by Tenant from and after the Commencement Date, subject to Landlord's written consent) constitute Tenant's property and shall be removed by Tenant upon the expiration or earlier termination of the Lease.

9.5. If Tenant shall fail to remove any of its property from the Premises prior to the expiration of the Term, then Landlord may, at its option, remove the same in any manner that Landlord shall choose and store such effects without liability to Tenant for loss thereof or damage thereto, and Tenant shall pay Landlord, upon demand, any costs and expenses incurred due to such removal and storage or Landlord may, at its sole option, without notice to Tenant and with Illinois Department of Agriculture approval as required for certain items, sell such property or any portion thereof at private sale and without legal process for such price as Landlord may obtain and apply the proceeds of such sale against any (a) amounts due by Tenant to Landlord under this Lease and (b) any expenses incident to the removal, storage and sale of such personal property.

9.6. Tenant shall pay to Landlord an amount equal to [***] percent ([***]%) of the cost to Tenant of all Alterations to cover Landlord's overhead and expenses for plan review, engineering review, coordination, scheduling and supervision thereof. For purposes of payment of such sum, Tenant shall submit to Landlord copies of all bills, invoices and statements covering the costs of such charges, accompanied by payment to Landlord of the fee set forth in this Section. In addition, Tenant shall reimburse Landlord for all third-party costs actually incurred by Landlord in connection with any Alterations, including any non-structural Alterations that do not require Landlord’s prior consent.

9.7. Tenant shall require its contractors and subcontractors performing work on the Premises to name Landlord and its affiliates and any lender as additional insureds on their respective insurance policies, except to the extent that the same is not permitted by Illinois law or regulation.

10. Odors and Fumes. Tenant shall not cause or permit (or conduct any activities that would cause) any release of any odors or fumes of any kind from the Premises. Tenant shall, at Tenant's sole cost and expense, provide odor eliminators and other devices (such as filters, air cleaners, scrubbers and whatever other equipment may in Landlord's judgment be necessary or appropriate from time to time) to abate any odors, fumes or other substances in Tenant's exhaust stream that, in Landlord's reasonable judgment, emanate from Tenant's Premises. Any work Tenant performs under this Section shall constitute Alterations. Tenant's responsibility to abate odors, fumes and exhaust shall continue throughout the Term. If Tenant fails to install satisfactory odor control equipment within thirty (30) days after Landlord's written demand made at any time, then Landlord may, without limiting Landlord's other rights and remedies, require Tenant to cease and suspend any operations in the Premises that, in Landlord's reasonable determination, cause odors, fumes or exhaust.

11. Repairs and Maintenance.

11.1. Care of Premises. This Lease shall be deemed and construed to be an "absolute net lease." Tenant shall, at its sole cost and expense, keep the Premises in a working, neat, clean, sanitary, safe condition and repair, and shall keep the Premises free from trash. Tenant shall make all repairs or replacements thereon or thereto, whether ordinary or extraordinary. Without limiting the foregoing, Tenant’s obligations hereunder shall include the maintenance, repair and replacement of the Building foundation, roof (including roof membrane), walls and all other structural components of the Building; all heating, ventilation, air conditioning, plumbing, electrical, mechanical, utility and safety systems serving the Building or Premises; the parking areas, roads and driveways located on the Premises; maintenance of exterior areas such as gardening and landscaping; snow removal and signage; maintenance and repair of flashings, gutters, downspouts, roof drains, skylights and waterproofing; and painting. Landlord shall not be required to furnish any services or facilities or to make any repairs, replacements or alterations of any kind in or on the Premises. Tenant shall receive all invoices and bills relative to the Premises and, except as otherwise provided herein, shall pay for all expenses directly to the person or company submitting a bill without first having to forward payment for the expenses to Landlord. Tenant hereby expressly waives the right to make repairs at the expense of Landlord as provided for in any Applicable Laws in effect at the time of execution of this Lease, or in any other Applicable Laws that may hereafter be enacted, and waives its rights under Applicable Laws relating to a landlord's duty to maintain its premises in a tenantable condition.

11.2. Service Contracts and Invoices. Tenant shall, promptly upon Landlord's written request therefor, provide Landlord with copies of all service contracts relating to the Tenant's maintenance of the Premises and invoices received from Tenant from such service providers.

11.3. Action by Landlord if Tenant Fails to Maintain. If Tenant refuses or neglects to repair or maintain the Premises as required hereunder to the reasonable satisfaction of Landlord, Landlord, at any time following ten (10) business days from the date on which Landlord shall make written demand on Tenant to affect such repair or maintenance, may, but shall not have the obligation to, make such repair and/or maintenance (without liability to Tenant for any loss or damage which may occur to Tenant's merchandise, fixtures or other personal property, or to Tenant's business by reason thereof) and upon completion thereof, Tenant shall pay to Landlord as Landlord Additional Rent Landlord's costs for making such repairs, plus interest at the Default Rate from the date of expenditure by Landlord upon demand therefor. Moreover, Tenant's failure to pay any of the charges in connection with the performance of its maintenance and repair obligations under this Lease will constitute a material default under the Lease.

11.4. No Rent Abatement. There shall be no abatement of Rent and no liability of Landlord by reason of any injury to or interference with Tenant's business arising from the making of any repairs, alterations or improvements in or to any portion of the Premises, or in or to improvements, fixtures, equipment and personal property therein.

11.5. Right of Entry. After providing the required notice to and receiving required approval from the relevant regulatory agencies including the Illinois Department of Agriculture, Landlord and Landlord's agents shall have the right to enter upon the Premises or any portion thereof for the purposes of performing any repairs or maintenance Landlord is permitted to make pursuant to this Lease, and of ascertaining the condition of the Premises or whether Tenant is observing and performing Tenant's obligations hereunder, all without unreasonable interference from Tenant or Tenant Parties. Except for emergency maintenance or repairs, the right of entry contained in this paragraph shall be exercisable at reasonable times, at reasonable hours and on reasonable notice, subject to Tenant's authorized personnel accompanying Landlord's agents in sensitive areas of the Premises and conditioned upon the required approval and consent from the Illinois Department of Agriculture and any other relevant regulatory agency. For the absence of doubt, all subsequent references to Landlord’s right of entry contained herein are subject to the same approval by the Illinois Department of Agriculture.

12. Liens. Tenant shall keep the Premises free from any liens arising out of work or services performed, materials furnished to or obligations incurred by Tenant. Tenant further covenants and agrees that any mechanic's or materialman's lien filed against the Premises for work or services claimed to have been done for, or materials claimed to have been furnished to, or obligations incurred by Tenant shall be discharged or bonded by Tenant within ten (10) days after the filing thereof, at Tenant's sole cost and expense. Should Tenant fail to discharge or bond against any lien of the nature described in this Section, Landlord may, at Landlord's election, pay such claim or otherwise provide security to eliminate the lien as a claim against title, and Tenant shall immediately reimburse Landlord for the costs thereof as Additional Rent. Tenant shall indemnify, save, defend (at Landlord's option and with counsel reasonably acceptable to Landlord) and hold the Landlord Indemnitees harmless from and against any Claims arising from any such liens, including any administrative, court or other legal proceedings related to such liens. In the event that Tenant leases or finances the acquisition of office equipment, furnishings or other personal property of a removable nature utilized by Tenant in the operation of Tenant's business, Tenant warrants that any Uniform Commercial Code financing statement shall, upon its face or by exhibit thereto, indicate that such financing statement is applicable only to removable personal property of Tenant located within the Premises.

13. Rules and Regulations and CC&Rs and Parking Facilities Tenant shall faithfully observe and comply with and shall ensure that its contractors, subcontractors, employees, subtenants and invitees faithfully observe and comply with such reasonable and nondiscriminatory rules and regulations as are hereafter promulgated by Landlord provided that the same do not prohibit the Permitted Use or otherwise significantly interfere with Tenant’s use and access to the Premises. This Lease is subject to any recorded covenants, conditions or restrictions on the Property or Premises, as the same may be amended, amended and restated, supplemented or otherwise modified from time to time (the "**CC&Rs**"). Tenant shall, at its sole cost and expense, comply with the CC&Rs.

14. Utilities and Services Tenant shall make all arrangements for and pay for all water, sewer, gas, heat, light, power, telephone service and any other service or utility Tenant requires at the Premises. Landlord shall not be liable for any failure or interruption of any utility service being furnished to the Premises, and no such failure or

interruption shall entitle Tenant to any abatement or right to terminate this Lease. In the event that any utilities are furnished by Landlord, Tenant shall pay to Landlord the cost thereof as an Operating Expense.

15. Estoppel Certificate. Tenant shall, within ten (10) days after receipt of written notice from Landlord, execute, acknowledge and deliver a statement in writing substantially in the form attached to this Lease as Exhibit C, or on any other form reasonably requested by a current or proposed lender or encumbrancer or proposed purchaser, (a) certifying that this Lease is unmodified and in full force and effect (or, if modified, stating the nature of such modification and certifying that this Lease as so modified is in full force and effect) and the dates to which rental and other charges are paid in advance, if any, (b) acknowledging that there are not, to Tenant's knowledge, any uncured defaults on the part of Landlord hereunder, or specifying such defaults if any are claimed, and (c) setting forth such further information with respect to this Lease or the Premises as may be requested thereon. Each Guarantor shall, within ten (10) days after receipt of written notice from Landlord, execute, acknowledge and deliver a statement in writing in the same form. Tenant's or any Guarantor's failure to deliver any such statement within such the prescribed time shall, at Landlord's option, constitute a Default (as defined below) under this Lease, and, in any event, shall be binding upon Tenant or such Guarantor (as applicable) that the Lease and such Guaranty are in full force and effect and without modification except as may be represented by Landlord in any certificate prepared by Landlord and delivered to Tenant or such Guarantor (as applicable) for execution.

16. Assignment or Subletting.

16.1. None of the following (each, a "**Transfer**"), either voluntarily or by operation of Applicable Laws, shall be directly or indirectly performed without Landlord's prior written consent: (a) Tenant selling, hypothecating, assigning, pledging, encumbering or otherwise transferring this Lease or subletting the Premises or (b) a controlling interest in Tenant being sold, assigned or otherwise transferred (other than as a result of shares in Tenant being sold on a public stock exchange or a Permitted Transfer as defined below). For purposes of the preceding sentence, "control" means (a) owning (directly or indirectly) more than fifty percent (50%) of the stock or other equity interests of another person or (b) possessing, directly or indirectly, the power to direct or cause the direction of the management and policies of such person.

16.2. In the event Tenant desires to effect a Transfer, then, at least thirty (30) but not more than ninety (90) days prior to the date when Tenant desires the Transfer to be effective (the "**Transfer Date**"), Tenant shall provide written notice to Landlord (the "**Transfer Notice**") containing information (including references) concerning the character of the proposed transferee, assignee or sublessee; the proposed Transfer Date; the most recent unconsolidated financial statements of Tenant and of the proposed transferee, assignee or sublessee ("**Required Financials**"); any ownership or commercial relationship between Tenant and the proposed transferee, assignee or sublessee; and the consideration and all other material terms and conditions of the proposed Transfer, all in such detail as Landlord shall reasonably require. In no event shall Landlord be deemed to be unreasonable for declining to consent to a Transfer to a transferee, assignee or sublessee of poor reputation, lacking financial qualifications or seeking a change in the Permitted Use, or jeopardizing directly or indirectly the status of Landlord or any of Landlord's affiliates as a Real Estate Investment Trust under the Internal Revenue Code of 1986, as amended from time to time.

16.3. The following are conditions precedent to a Transfer or to Landlord considering a request by Tenant to a Transfer:

16.3.1. Tenant shall remain fully liable under this Lease and each Guarantor shall continue to remain fully liable under such Guarantor's Guaranty, including with respect to the Term after the Transfer Date. Tenant agrees that it shall not be (and shall not be deemed to be) a guarantor or surety of this Lease, however, and waives its right to claim that it is a guarantor or surety or to raise in any legal proceeding any guarantor or surety defenses permitted by this Lease or by Applicable Laws;

16.3.2. Tenant shall provide Landlord with evidence reasonably satisfactory to Landlord that the value of Landlord's interest under this Lease shall not be diminished or reduced by the proposed Transfer. Such

evidence shall include evidence respecting the relevant business experience and financial responsibility and status of the proposed transferee, assignee or sublessee;

16.3.3. Tenant shall reimburse Landlord for Landlord's actual costs and expenses, including attorneys' fees, charges and disbursements incurred in connection with the review, processing and documentation of such request;

16.3.4. If Tenant's transfer of rights or sharing of the Premises provides for the receipt by, on behalf of or on account of Tenant of any consideration of any kind whatsoever (including a premium rental for a sublease or lump sum payment for an assignment, but excluding Tenant's reasonable costs in marketing and subleasing the Premises) in excess of the rental and other charges due to Landlord under this Lease, Tenant shall pay [***] percent ([***]%) of all of such excess to Landlord, after making deductions for any reasonable marketing expenses, tenant improvement funds expended by Tenant, alterations, cash concessions, brokerage commissions, attorneys' fees and free rent actually paid by Tenant. If such consideration consists of cash paid to Tenant, payment to Landlord shall be made upon receipt by Tenant of such cash payment;

16.3.5. The proposed transferee, assignee or sublessee shall agree that, in the event Landlord gives such proposed transferee, assignee or sublessee notice that Tenant is in default under this Lease, such proposed transferee, assignee or sublessee shall thereafter make all payments otherwise due Tenant directly to Landlord, which payments shall be received by Landlord without any liability being incurred by Landlord, except to credit such payment against those due by Tenant under this Lease, and any such proposed transferee, assignee or sublessee shall agree to attorn to Landlord or its successors and assigns should this Lease be terminated for any reason; provided, however, that in no event shall Landlord or its Lenders, successors or assigns be obligated to accept such attornment;

16.3.6. Tenant shall not then be in default hereunder in any respect;

16.3.7. Such proposed transferee, assignee or sublessee's use of the Premises shall be the same as the Permitted Use;

16.3.8. Landlord shall not be bound by any provision of any agreement pertaining to the Transfer, except for Landlord's written consent to the same;

16.3.9. Tenant shall pay all transfer and other taxes (including interest and penalties) assessed or payable for any Transfer;

16.3.10. Landlord's consent (or waiver of its rights) for any Transfer shall not waive Landlord's right to consent or refuse consent to any later Transfer; and

16.3.11. Tenant shall deliver to Landlord a list of Hazardous Materials (as defined below), certified by the proposed transferee, assignee or sublessee to be true and correct, that the proposed transferee, assignee or sublessee intends to use or store in the Premises. Additionally, Tenant shall deliver to Landlord, on or before the date any proposed transferee, assignee or sublessee takes occupancy of the Premises, all of the items relating to Hazardous Materials of such proposed transferee, assignee or sublessee as described in Section 8.

16.4. Any Transfer that is not in compliance with the provisions of this Section or with respect to which Tenant does not fulfill its obligations pursuant to this Section shall be void and shall, at the option of Landlord, terminate this Lease.

16.5. Notwithstanding any Transfer, Tenant shall remain fully and primarily liable for the payment of all Rent and other sums due or to become due hereunder, and for the full performance of all other terms, conditions and covenants to be kept and performed by Tenant. The acceptance of Rent or any other sum due hereunder, or the acceptance of performance of any other term, covenant or condition thereof, from any person or entity other than Tenant shall not be deemed a waiver of any of the provisions of this Lease or a consent to any Transfer.

16.6. If Tenant delivers to Landlord a Transfer Notice indicating a desire to transfer this Lease to a proposed transferee, assignee or sublessee, then Landlord shall have the option, exercisable by giving notice to Tenant within ten (10) days after Landlord's receipt of such Transfer Notice, to terminate this Lease as of the date specified in the Transfer Notice as the Transfer Date, except for those provisions that, by their express terms, survive the expiration or earlier termination hereof. If Landlord exercises such option, then Tenant shall have the right to withdraw such Transfer Notice by delivering to Landlord written notice of such election within five (5) business days after Landlord's delivery of notice electing to exercise Landlord's option to terminate this Lease. In the event Tenant withdraws the Transfer Notice as provided in this Section, this Lease shall continue in full force and effect. No failure of Landlord to exercise its option to terminate this Lease shall be deemed to be Landlord's consent to a proposed Transfer.

16.7. If Tenant sublets the Premises or any portion thereof, Tenant hereby immediately and irrevocably assigns to Landlord, as security for Tenant's obligations under this Lease, all rent from any such subletting, and appoints Landlord as assignee and attorney-in-fact for Tenant, and Landlord (or a receiver for Tenant appointed on Landlord's application) may collect such rent and apply it toward Tenant's obligations under this Lease; provided that, until the occurrence of a Default (as defined below) by Tenant, Tenant shall have the right to collect such rent.

16.8. Permitted Transfers. Tenant may assign its entire interest under this Lease or sublease all or a portion of the Premises without the consent of Landlord to: (i) an affiliate, subsidiary or parent of Tenant; (ii) any entity into which that Tenant or an affiliated party may merge or consolidate; (iii) any entity that acquires all or substantially all of the assets of Tenant; each a “Permitted Transfer” and such transferee a “Permitted Transferee”, provided that (a) Tenant notifies Landlord at least twenty (20) days prior to the effective date of any such Permitted Transfer, (b) Tenant is not in default and such assignment or sublease is not a subterfuge by Tenant to avoid its obligations under this Lease, (c) such Permitted Transferee shall have a tangible net worth (not including goodwill as an asset) computed in accordance with generally accepted accounting principles (“Net Worth”) at least equal to the Net Worth of the original Tenant on the day immediately preceding the effective date of such assignment or sublease and reasonably sufficient to comply with the obligations under this Lease, (d) no assignment or sublease relating to this Lease, whether with or without Landlord’s consent, shall relieve Tenant from any liability under this Lease, and (e) the liability of such Permitted Transferee under either an assignment or sublease shall be joint and several with Tenant and each Guarantor. Tenant’s notice to Landlord shall include information and documentation showing that each of the above conditions has been satisfied. As used in this Section 16.8, (w) “parent” shall mean a company which owns a majority of Tenant’s voting equity; (x) “subsidiary” shall mean an entity wholly owned by Tenant or at least fifty-one percent (51%) of whose voting equity is owned by Tenant; (y) “affiliate” shall mean an entity controlled by, controlling or under common control with Tenant; and (z) “control” shall mean the possession, direct or indirect, of the power to direct or cause the direction of the management and policies of a person or entity.

17. Indemnification and Exculpation.

17.1. Tenant agrees to indemnify, save, defend (at Landlord's option and with counsel reasonably acceptable to Landlord) and hold the Landlord Indemnitees harmless from and against any and all Claims of any kind or nature, real or alleged, arising from (a) injury to or death of any person or damage to any property occurring within or about the Premises arising directly or indirectly out of the presence at or use or occupancy of the Premises or Project by a Tenant Party, (b) an act or omission on the part of any Tenant Party; (c) a breach or default by Tenant in the performance of any of its obligations hereunder or (d) injury to or death of persons or damage to or loss of any property, real or alleged, arising from the serving of any intoxicating substances at the Premises or Project, except to the extent any of the foregoing are directly caused by Landlord's gross negligence or willful misconduct. Tenant's obligations under this Section shall not be affected, reduced or limited by any limitation on the amount or type of damages, compensation or benefits payable by or for Tenant under workers' compensation acts, disability benefit acts, employee benefit acts or similar legislation. Tenant's obligations under this Section shall survive the expiration or earlier termination of this Lease.

17.2. Notwithstanding anything in this Lease to the contrary, Landlord shall not be liable to Tenant for and Tenant assumes all risk of (a) damage or losses caused by fire, electrical malfunction, gas explosion or water damage of any type (including broken water lines, malfunctioning fire sprinkler systems, roof leaks or stoppages of

lines), and (b) damage to personal property (in each case, regardless of whether such damages are foreseeable). Tenant further waives any claim for injury to Tenant's business or loss of income relating to any such damage or destruction of personal property as described in this Section. Notwithstanding anything in the foregoing or this Lease to the contrary, except as otherwise provided herein or as may be required by Applicable Laws, in no event shall Landlord be liable to Tenant for any consequential, special or indirect damages arising out of this Lease, including lost profits.

17.3. Landlord shall not be liable for any damages arising from any act, omission or neglect of any third party.

17.4. The provisions of this Section shall survive the expiration or earlier termination of this Lease.

18. Insurance; Waiver of Subrogation.

18.1. Landlord shall maintain a policy or policies of insurance protecting Landlord against the following (all of which shall be payable by Tenant as Operating Expenses):

18.1.1. Fire and other perils normally included within the classification of fire and extended coverage, together with insurance against vandalism and malicious mischief, to the extent of the full replacement cost of the Premises, including, at Landlord's option, earthquake and flood coverage, exclusive of trade fixtures, equipment and improvements insured by Tenant, with agreed value, full replacement and other endorsements which Landlord may elect to maintain;

18.1.2. Twenty-four (24) months of rental loss insurance and to the extent of 100% of the gross rentals from the Premises;

18.1.3. Comprehensive general liability insurance with a single limit of not less than $[***] for bodily injury or death and property damage with respect to the Premises, a general aggregate not less than $[***] for bodily injury or death and property damage with respect to the Premises, and not less than $[***] of excess umbrella liability insurance; and

18.1.4. At Landlord's sole option, environmental liability or environmental clean-up/remediation insurance in such amounts and with such deductibles and other provisions as Landlord may determine in its sole and absolute discretion.

18.2. Tenant shall, at its own cost and expense, procure and maintain during the Term the following insurance for the benefit of Tenant and Landlord (as their interests may appear) with insurers financially acceptable and lawfully authorized to do business in the state where the Premises are located:

18.2.1. Commercial General Liability insurance on a broad-based occurrence coverage form, with coverages including but not limited to bodily injury (including death), property damage (including loss of use resulting therefrom), premises/operations, personal & advertising injury, and contractual liability with limits of liability of not less than $[***] for bodily injury and property damage per occurrence, $[***] general aggregate, which limits may be met by use of excess and/or umbrella liability insurance provided that such coverage is at least as broad as the primary coverages required herein.

18.2.2. Commercial Automobile Liability insurance covering liability arising from the use or operation of any auto, including those owned, hired or otherwise operated or used by or on behalf of the Tenant. The coverage shall be on a broad-based occurrence form with combined single limits of not less than $[***] per accident for bodily injury and property damage.

18.2.3. Commercial Property insurance covering property damage to the full replacement cost value and business interruption. Covered property shall include all tenant improvements in the Premises (to the extent not insured by Landlord) and Tenant's property including personal property, furniture, fixtures, machinery,

equipment, stock, inventory and improvements and betterments, which may be owned by Tenant or Landlord and required to be insured hereunder, or which may be leased, rented, borrowed or in the care custody or control of Tenant, or Tenant's agents, employees or subcontractors. Such insurance, with respect only to all Alterations, Tenant Improvements or other work performed on the Premises by Tenant (collectively, "**Tenant Work**"), shall name Landlord and Landlord's current and future mortgagees as loss payees as their interests may appear. Such insurance shall be written on an "all risk" of physical loss or damage basis including the perils of fire, extended coverage, electrical injury, mechanical breakdown, windstorm, vandalism, malicious mischief, sprinkler leakage, back-up of sewers or drains, flood, earthquake, terrorism and such other risks Landlord may from time to time designate, for the full replacement cost value of the covered items with an agreed amount endorsement with no co-insurance. Business interruption coverage shall have limits sufficient to cover Tenant's lost profits and necessary continuing expenses, including rents due Landlord under the Lease. The minimum period of indemnity for business interruption coverage shall be twelve (12) months plus twelve (12) months' extended period of indemnity.

18.2.4. Workers' Compensation insurance as is required by statute or law, or as may be available on a voluntary basis and Employers' Liability insurance with limits of not less than the following: each accident, [***] Dollars ($[***]); disease, [***] Dollars ($[***]); disease (each employee), [***] Dollars ($[***]).

18.2.5. Pollution Legal Liability insurance is required if Tenant stores, handles, generates or treats Hazardous Materials, as determined solely by Landlord, on or about the Premises. Such coverage shall include bodily injury, sickness, disease, death or mental anguish or shock sustained by any person; property damage including physical injury to or destruction of tangible property including the resulting loss of use thereof, clean-up costs, and the loss of use of tangible property that has not been physically injured or destroyed; and defense costs, charges and expenses incurred in the investigation, adjustment or defense of claims for such compensatory damages. Coverage shall apply to both sudden and non-sudden pollution conditions including the discharge, dispersal, release or escape of smoke, vapors, soot, fumes, acids, alkalis, toxic chemicals, liquids or gases, waste materials or other irritants, contaminants or pollutants into or upon land, the atmosphere or any watercourse or body of water. Claims-made coverage is permitted, provided the policy retroactive date is continuously maintained prior to the commencement date of this Lease, and coverage is continuously maintained during all periods in which Tenant occupies the Premises. Coverage shall be maintained with limits of not less than $[***] per incident with a $[***] policy aggregate and for a period of two (2) years thereafter.

18.3. During all construction by Tenant at the Premises, with respect to tenant improvements being constructed (including the Tenant Improvements and any Alterations), Tenant shall cause the insurance required in Exhibit E-1 to be in place.

18.4. The insurance required of Tenant by this Section shall be with companies at all times having a current rating of not less than A- and financial category rating of at least Class VII in "A.M. Best's Insurance Guide" current edition. Tenant shall obtain for Landlord from the insurance companies/broker or cause the insurance companies/broker to furnish certificates of insurance evidencing all coverages required herein to Landlord. Landlord reserves the right to require complete, certified copies of all required insurance policies including any endorsements. No such policy shall be cancelable or subject to reduction of coverage or other modification or cancellation except after twenty (20) days' prior written notice to Landlord from Tenant or its insurers (except in the event of non-payment of premium, in which case ten (10) days' written notice shall be given). All such policies shall be written as primary policies, not contributing with and not in excess of the coverage that Landlord may carry. Tenant's required policies shall contain severability of interests clauses stating that, except with respect to limits of insurance, coverage shall apply separately to each insured or additional insured. Tenant shall, at least twenty-five (25) days prior to the expiration of such policies, furnish Landlord with renewal certificates of insurance or binders. Tenant agrees that if Tenant does not take out and maintain such insurance, Landlord may (but shall not be required to) procure such insurance on Tenant's behalf and at its cost to be paid by Tenant as Additional Rent. Commercial General Liability, Commercial Automobile Liability, Umbrella Liability and Pollution Legal Liability insurance as required above shall name Landlord, IIP Operating Partnership, LP and Innovative Industrial Properties, Inc. and their respective officers, employees, agents, general partners, members, subsidiaries, affiliates and Lenders ("**Landlord Parties**") as additional insureds as respects liability arising from work or operations performed by or on

behalf of Tenant, Tenant's use or occupancy of Premises, and ownership, maintenance or use of vehicles by or on behalf of Tenant.

18.5. Tenant assumes the risk of damage to any fixtures, goods, inventory, merchandise, equipment and leasehold improvements, and Landlord shall not be liable for injury to Tenant's business or any loss of income therefrom, relative to such damage, all as more particularly set forth within this Lease. Tenant shall, at Tenant's sole cost and expense, carry such insurance as Tenant desires for Tenant's protection with respect to personal property of Tenant or business interruption.

18.6. Tenant and its insurers hereby waive any and all rights of recovery or subrogation against the Landlord Parties with respect to any loss, damage, claims, suits or demands, howsoever caused, that are covered, or should have been covered, by valid and collectible insurance, including any deductibles or self-insurance maintained thereunder. If necessary, Tenant agrees to endorse the required insurance policies to permit waivers of subrogation as required hereunder and hold harmless and indemnify the Landlord Parties for any loss or expense incurred as a result of a failure to obtain such waivers of subrogation from insurers. Such waivers shall continue so long as Tenant's insurers so permit. Any termination of such a waiver shall be by written notice to Landlord, containing a description of the circumstances hereinafter set forth in this Section. Tenant, upon obtaining the policies of insurance required or permitted under this Lease, shall give notice to its insurance carriers that the foregoing waiver of subrogation is contained in this Lease. If such policies shall not be obtainable with such waiver or shall be so obtainable only at a premium over that chargeable without such waiver, then Tenant shall notify Landlord of such conditions.

18.7. Landlord may require insurance policy limits required under this Lease to be raised to conform with requirements of Landlord's lender, if any.

18.8. Any costs incurred by Landlord pursuant to this Section shall be included as Operating Expenses payable by Tenant pursuant to this Lease.

18.9. The provisions of this Section shall survive the expiration or earlier termination of this Lease.

19. Subordination and Attornment.

19.1. This Lease shall be subject and subordinate to the lien of any mortgage, deed of trust, or lease in which Landlord is tenant now or hereafter in force against the Premises or any portion thereof and to all advances made or hereafter to be made upon the security thereof without the necessity of the execution and delivery of any further instruments on the part of Tenant to effectuate such subordination.

19.2. Notwithstanding the foregoing, Tenant shall execute and deliver upon demand such further instrument or instruments evidencing such subordination of this Lease to the lien of any such mortgage or mortgages or deeds of trust or lease in which Landlord is tenant as may be required by Landlord. If any such mortgagee, beneficiary or landlord under a lease wherein Landlord is tenant (each, a "**Mortgagee**") so elects, however, this Lease shall be deemed prior in lien to any such lease, mortgage, or deed of trust upon or including the Premises regardless of date and Tenant shall execute a statement in writing to such effect at Landlord's request. If Tenant fails to execute any document required from Tenant under this Section within ten (10) days after written request therefor, Tenant hereby constitutes and appoints Landlord or its special attorney-in-fact to execute and deliver any such document or documents in the name of Tenant. Such power is coupled with an interest and is irrevocable.

19.3. Upon written request of Landlord and opportunity for Tenant to review, Tenant agrees to execute any Lease amendments not materially altering the terms of this Lease, if required by a Mortgagee incident to the financing of the real property of which the Premises constitute a part.

19.4. In the event any proceedings are brought for foreclosure, or in the event of the exercise of the power of sale under any mortgage or deed of trust made by Landlord covering the Premises, Tenant shall at the

election of the purchaser at such foreclosure or sale attorn to the purchaser upon any such foreclosure or sale and recognize such purchaser as Landlord under this Lease.

20. Defaults and Remedies

20.1. Late payment by Tenant to Landlord of Rent and other sums due shall cause Landlord to incur costs not contemplated by this Lease, the exact amount of which shall be extremely difficult and impracticable to ascertain. Such costs include processing and accounting charges and late charges that may be imposed on Landlord by the terms of any mortgage or trust deed covering the Premises. Therefore, if any installment of Rent due from Tenant is not received by Landlord within five (5) days after the date such payment is due, Tenant shall pay to Landlord (a) an additional sum of [***] percent ([***]%) of the overdue Rent as a late charge plus (b) interest at an annual rate (the "**Default Rate**") equal to the lesser of (a) [***] percent ([***]%) and (b) the highest rate permitted by Applicable Laws. The parties agree that this late charge represents a fair and reasonable estimate of the costs that Landlord shall incur by reason of late payment by Tenant and shall be payable as Additional Rent to Landlord due with the next installment of Rent. Landlord's acceptance of any Additional Rent (including a late charge or any other amount hereunder) shall not be deemed an extension of the date that Rent is due or prevent Landlord from pursuing any other rights or remedies under this Lease, at law or in equity.

20.2. No payment by Tenant or receipt by Landlord of a lesser amount than the Rent payment herein stipulated shall be deemed to be other than on account of the Rent, nor shall any endorsement or statement on any check or any letter accompanying any check or payment as Rent be deemed an accord and satisfaction, and Landlord may accept such check or payment without prejudice to Landlord's right to recover the balance of such Rent or pursue any other remedy provided in this Lease or in equity or at law.

20.3. If Tenant fails to pay any sum of money required to be paid by it hereunder or perform any other act on its part to be performed hereunder, in each case within the applicable cure period (if any) described herein, then Landlord may (but shall not be obligated to), without waiving or releasing Tenant from any obligations of Tenant, make such payment or perform such act. Notwithstanding the foregoing, in the event of an emergency, Landlord shall have the right to enter the Premises and act in accordance with its rights as provided elsewhere in this Lease. Tenant shall pay to Landlord as Additional Rent all sums so paid or incurred by Landlord, together with interest at the Default Rate, computed from the date such sums were paid or incurred.

20.4. The occurrence of any one or more of the following events shall constitute a "**Default**" hereunder by Tenant:

20.4.1. Tenant abandons or vacates the Premises;

20.4.2. Tenant fails to make any payment of Rent, as and when due, where such failure shall continue for a period of five (5) days after written notice thereof from Landlord to Tenant;

20.4.3. Tenant fails to observe or perform any obligation or covenant contained herein that is not otherwise described in this Section 20.4, and such failure (if susceptible to cure) is not cured within thirty (30) days after Tenant’s receipt of written notice from Landlord of such default, provided that if such default cannot reasonably be cured within thirty (30) days, then Tenant shall not be in Default so long as Tenant commences to cure such default within such thirty (30) day period and thereafter pursues such cure to completion, provided such cure period shall in no event exceed ninety (90) days;

20.4.4. Tenant makes an assignment for the benefit of creditors, or a receiver, trustee or custodian is appointed to or does take title, possession or control of all or substantially all of Tenant's or any Guarantor's assets;

20.4.5. Tenant or any Guarantor files a voluntary petition under the United States Bankruptcy Code or any successor statute (as the same may be amended from time to time, the "**Bankruptcy Code**") or an order

for relief is entered against Tenant or any Guarantor (as applicable) pursuant to a voluntary or involuntary proceeding commenced under any chapter of the Bankruptcy Code;

20.4.6. Any involuntary petition is filed against Tenant or any Guarantor under any chapter of the Bankruptcy Code and is not dismissed within one hundred twenty (120) days;

20.4.7. A default exists under any Guaranty executed by a Guarantor in favor of Landlord, after the expiration of any applicable notice and cure periods;

20.4.8. Tenant's interest in this Lease is attached, executed upon or otherwise judicially seized and such action is not released within one hundred twenty (120) days of the action;

20.4.9. A governmental authority seizes any part of the Property seeking forfeiture, whether or not a judicial forfeiture proceeding has commenced;

20.4.10. A final, appealable judgment having the effect of establishing that Tenant's operation violates Landlord's contractual obligations (i) pursuant to any private covenants of record restricting Landlord's Building containing the Premises or (ii) of good faith and fair dealing to any third party, including other tenants of the Building containing the Premises or occupants or owners of any other building within the Project; or

20.4.11. An event occurs that results in any insurance carrier that provides insurance coverage with respect to any aspect of the Project providing notice to the Landlord of its intent to cancel such insurance coverage, and Landlord, exercising commercially reasonable efforts, is not able to procure comparable replacement insurance coverage that is reasonably acceptable to Landlord prior to the actual cancellation date specified in the notice from the cancelling insurance carrier.

20.5. Notices given under this Section shall specify the alleged default and shall demand that Tenant perform the provisions of this Lease or pay the Rent that is in arrears, as the case may be, within the applicable period of time, or quit the Premises. No such notice shall be deemed a forfeiture or a termination of this Lease unless Landlord elects otherwise in such notice.

20.6. In the event of a Default by Tenant, and at any time thereafter, with or without notice or demand and without limiting Landlord in the exercise of any right or remedy that Landlord may have under Applicable Laws or this Lease, Landlord has the right to do any or all of the following:

20.6.1. Halt any Tenant Improvements or Alterations and order Tenant's contractors to stop work;

20.6.2. Terminate Tenant's right to possession of the Premises by written notice to Tenant or by any lawful means, in which case Tenant shall immediately surrender possession of the Premises to Landlord. In such event, Landlord shall have the immediate right to re-enter and remove all persons and property, and such property may be removed and stored elsewhere at the cost and for the account of Tenant, all without service of notice or resort to legal process and without being deemed guilty of trespass or becoming liable for any loss or damage; and

20.6.3. Terminate this Lease, in which event Tenant shall immediately surrender possession of the Premises to Landlord. In such event, Landlord shall have the immediate right to re-enter and remove all persons and property, and such property may be removed and stored elsewhere at the cost and for the account of Tenant, all without service of notice or resort to legal process and without being deemed guilty of trespass or becoming liable for any loss or damage. In the event that Landlord shall elect to so terminate this Lease, then Landlord shall be entitled to recover from Tenant all damages incurred by Landlord by reason of Tenant's default, including:

20.6.3.1. The sum of: (i) the worth at the time of award (computed by allowing interest at the Default Rate) of any unpaid Rent that had accrued at the time of such termination; plus (ii) the worth at the time

of award of the amount by which the unpaid Rent that would have accrued during the period commencing with termination of the Lease and ending at the time of award exceeds that portion of the loss of Landlord's rental income from the Premises that Tenant proves to Landlord's reasonable satisfaction could have been reasonably avoided; plus; (iii) the worth at the time of award of the amount by which the unpaid Rent for the balance of the Term after the time of award exceeds that portion of the loss of Landlord's rental income from the Premises that Tenant proves to Landlord's reasonable satisfaction could have been reasonably avoided; plus (iv) any other amount necessary to compensate Landlord for all the detriment caused by Tenant's failure to perform its obligations under this Lease or that in the ordinary course of things would be likely to result therefrom, including the cost of restoring the Premises to the condition required under the terms of this Lease, including any rent payments not otherwise chargeable to Tenant (e.g., during any "free" rent period or rent holiday); plus (v) At Landlord's election, such other amounts in addition to or in lieu of the foregoing as may be permitted from time to time by Applicable Laws; or

20.6.3.2. At Landlord's election, as minimum liquidated damages in addition to any (A) amounts paid or payable to Landlord pursuant to Section 20.6.3.1.(i) prior to such election and (B) costs of restoring the Premises to the condition required under the terms of this Lease, an amount (the "**Election Amount**") equal to either (Y) the positive difference (if any, and measured at the time of such termination) between (1) the then-present value of the total Rent and other benefits that would have accrued to Landlord under this Lease for the remainder of the Term if Tenant had fully complied with the Lease minus (2) the then-present cash rental value of the Premises as determined by Landlord for what would be the then-unexpired Term if the Lease remained in effect, computed using the discount rate of the Federal Reserve Bank of San Francisco at the time of the award plus one (1) percentage point (the "**Discount Rate**") or (Z) twelve (12) months (or such lesser number of months as may then be remaining in the Term) of Base Rent and Additional Rent at the rate last payable by Tenant pursuant to this Lease, in either case as Landlord specifies in such election. Landlord and Tenant agree that the Election Amount represents a reasonable forecast of the minimum damages expected to occur in the event of a breach, taking into account the uncertainty, time and cost of determining elements relevant to actual damages, such as fair market rent, time and costs that may be required to re-lease the Premises, and other factors; and that the Election Amount is not a penalty.

20.7. In addition to any other remedies available to Landlord at law or in equity and under this Lease, Landlord may continue this Lease in effect after Tenant's Default or abandonment and recover Rent as it becomes due. In addition, Landlord shall not be liable in any way whatsoever for its failure or refusal to relet the Premises. For purposes of this Section, the following acts by Landlord will not constitute the termination of Tenant's right to possession of the Premises: Acts of maintenance or preservation or efforts to relet the Premises, including alterations, remodeling, redecorating, repairs, replacements or painting as Landlord shall consider advisable for the purpose of reletting the Premises or any part thereof; or the appointment of a receiver upon the initiative of Landlord to protect Landlord's interest under this Lease or in the Premises.

20.8. Notwithstanding the foregoing, in the event of a Default by Tenant, Landlord may elect at any time to terminate this Lease and to recover damages to which Landlord is entitled.

20.9. If Landlord does not elect to terminate this Lease as provided in this Section 20, then Landlord may, from time to time, recover all Rent as it becomes due under this Lease. At any time thereafter, Landlord may elect to terminate this Lease and to recover damages to which Landlord is entitled.

20.10. All of Landlord's rights, options and remedies hereunder shall be construed and held to be nonexclusive and cumulative. Notwithstanding any provision of this Lease to the contrary, in no event shall Landlord be required to mitigate its damages with respect to any default by Tenant, except as required by Applicable Laws. Any such obligation imposed by Applicable Laws upon Landlord to relet the Premises after any termination of this Lease shall be subject to the reasonable requirements of Landlord to lease to high quality tenants on such terms as Landlord may from time to time deem appropriate in its discretion. Landlord shall not be obligated to relet the Premises to any party (i) unacceptable to a Lender, (ii) that requires Landlord to make improvements to or re-demise the Premises, (iii) that desires to change the Permitted Use, (iv) that desires to lease the Premises for more or less than the remaining Term or (v) to whom Landlord or an affiliate of Landlord may desire to lease other available space in the Project or at another property owned by Landlord or an affiliate of Landlord.

20.11. To the extent permitted by Applicable Laws, Tenant waives any and all rights of redemption granted by or under any present or future Applicable Laws if Tenant is evicted or dispossessed for any cause, or if Landlord obtains possession of the Premises due to Tenant's default hereunder or otherwise.

20.12. Landlord shall not be in default or liable for damages under this Lease unless Landlord fails to perform obligations required of Landlord within a reasonable time. In no event shall Tenant have the right to terminate or cancel this Lease or to withhold or abate rent or to set off any Claims against Rent as a result of any default or breach by Landlord of any of its covenants, obligations, representations, warranties or promises hereunder, except as may otherwise be expressly set forth in this Lease.

20.13. In the event of any default by Landlord, Tenant shall give notice by registered or certified mail to any (a) beneficiary of a deed of trust or (b) mortgagee under a mortgage covering the Premises or any portion thereof and to any landlord of any lease of land upon or within which the Premises are located, and shall offer such beneficiary, mortgagee or landlord a reasonable opportunity to cure the default, including time to obtain possession of the Premises by power of sale or a judicial action if such should prove necessary to effect a cure; provided that Landlord shall furnish to Tenant in writing, upon written request by Tenant, the names and addresses of all such persons who are to receive such notices.

21. Damage or Destruction

21.1. Tenant's Obligation to Rebuild. If the Premises are damaged or destroyed, Tenant shall immediately provide notice thereof to Landlord, and shall promptly thereafter deliver to Landlord Tenant's good faith estimate of the time it will take to repair and rebuild the Premises (the "Estimated Time For Repair"). Subject to the other provisions of this Section 21, Tenant shall promptly and diligently repair and rebuild the Premises in accordance with this Section 21 unless Landlord or Tenant terminates this Lease in accordance with Section 21.2.

21.2. Termination.

21.2.2. Landlord's Right to Terminate.

21.2.1.1. Landlord shall have the right to terminate this Lease following damage to or destruction of all or a substantial portion of the Premises if any of the following occurs (each, a "**Termination Condition**"): (i) insurance proceeds, together with additional amounts Tenant agrees to contribute under this Section 21, are not confirmed to be available to Landlord, within 90 days following the date of damage, to pay 100% of the cost to fully repair the damaged Premises, excluding the deductible for which Tenant shall also be responsible for paying as an Operating Expense; (ii) based upon the Estimated Time For Repair, the Premises cannot, with reasonable diligence, be fully repaired by Tenant within eighteen (18) months after the date of the damage or destruction; (iii) the Premises cannot be safely repaired because of the presence of hazardous factors, including, but not limited to, earthquake faults, chemical waste and other similar dangers; (iv) subject to the terms and conditions of Section 21.2.1.1. hereof, all or a substantial portion of the Premises are destroyed or damaged during the last 24 months of the Term; or (v) Tenant is in Default at the time of such damage or destruction past any period of notice and cure as elsewhere provided in this Lease. For purposes of this Section 21.2, a "substantial portion" of the Premises shall be deemed to be damaged or destroyed if the Premises is rendered unsuitable for the continued use and occupancy of Tenant's business substantially in the same manner conducted prior to the event causing the damage or destruction.

21.2.1.2. If all or a substantial portion of the Premises are destroyed or damaged within the last twenty-four (24) months of the initial Term, or within the last twenty-four (24) months of the first Extension Period under this Lease, and Landlord desires to terminate this Lease under Section 21.2.1.1. hereof, Landlord shall deliver a Termination Notice to Tenant pursuant to Section 21.2.3 below and Tenant shall have a period of thirty (30) days after receipt of the Termination Notice ("**Tenant's Early Option Period**") to exercise its option to extend the initial Term or the first Extension Period, as applicable, by providing Landlord with written notice of Tenant's exercise of its respective option prior to the expiration of Tenant's Early Option Period. If Tenant exercises its option rights under the immediately preceding sentence, the Termination Notice shall be deemed rescinded and Tenant

shall proceed to repair and rebuild the Premises in accordance with the other provisions of this Section 21. If Tenant fails to deliver such written notice to Landlord prior to the end of Tenant's Early Option Period, then Tenant shall be deemed to have waived its option to extend the Term, and the last day of Tenant's Early Option Period shall be deemed to be the date of the occurrence of the Termination Condition under Section 21.2.1.1.

21.2.2. Tenant's Right to Terminate. Tenant shall have the right to terminate this Lease following damage to or destruction of all or a substantial portion of the Premises if the Premises are destroyed or damaged during the last twenty-four (24) months of the Term or any Extension, which termination shall be deemed to constitute a Termination Condition.

21.2.3. Exercise of Termination Right. If a party elects to terminate this Lease and has the right to so terminate, such party will give the other party written notice of its election to terminate ("**Termination Notice**") within thirty (30) days after the occurrence of the applicable Termination Condition, and this Lease will terminate fifteen (15) days after the receiving party's receipt of such Termination Notice, except in the case of a termination by Landlord under Section 21.2.1.1., in which case this Lease will terminate fifteen (15) days after expiration of the Tenant Early Option Period if Tenant timely fails to exercise timely Tenant's option to extend the Term. If this Lease is terminated pursuant to Section 21.2, Landlord shall, subject to the rights of its lender(s), be entitled to receive and retain all the insurance proceeds resulting from such damage, including rental loss insurance, except for those proceeds payable under policies obtained by Tenant which specifically insure Tenant's personal property, trade fixtures and machinery.

21.3. Tenant's Obligation to Repair. If Tenant is required to repair or rebuild any damage or destruction of the Premises under Section 21.1, then Tenant shall (a) submit its plans to repair such damage and reconstruct the Premises to Landlord for review and approval, which approval shall not be unreasonably withheld; (b) diligently repair and rebuild the Premises in the same or better condition and with the same or better quality of materials as the condition of the Premises as of the Commencement Date, and in a manner that is consistent with the plans and specifications approved by Landlord; (c) obtain all permits and governmental approvals necessary to repair or reconstruct the Premises (which permits shall not contain any conditions that are materially more restrictive than the permits in existence on the date hereof); (d) cause all work to be performed only by qualified contractors that are reasonably approved by Landlord; (e) allow Landlord and its consultants and agents to enter the Premises at all reasonable times to inspect the Premises and Tenant's ongoing work and cooperate reasonably in good faith with their effort to ensure that the work is proceeding in a manner that is consistent with this Lease; (f) comply with all applicable laws and permits in connection with the performance of such work; (g) timely pay all of its consultants, suppliers and other contractors in connection with the performance of such work; (h) notify Landlord if Tenant receives any notice of any default or any violation of any applicable law or any permit or similar notice in connection with such work; (i) deliver as-built plans for the Premises within thirty (30) days after the completion of such repair and restoration; (j) ensure that Landlord has fee simple title to the Premises during such work without any claim by any contractor or other party; (k) maintain such insurance as Landlord may reasonably require (including insurance in the nature of builders' risk insurance) and (l) comply with such other conditions as Landlord may reasonably require. In addition, Tenant shall, at its expense, replace or fully repair all of Tenant's personal property and any alterations installed by Tenant existing at the time of such damage or destruction. To the fullest extent permitted by law, Tenant shall indemnify, protect, defend and hold Landlord (and its employees and agents) harmless from and against any and all claims, costs, expenses, suits, judgments, actions, investigations, proceedings and liabilities arising out of or in connection with Tenant's obligations under this Section 21, including, without limitation, any acts, omissions or negligence in the making or performance of any such repairs or replacements. In the event Tenant does not repair and rebuild the Premises pursuant to this Section 21, Tenant shall be in breach, and Landlord shall have the right to retain all casualty insurance proceeds and condemnation proceeds.

21.4. Application of Insurance Proceeds for Repair and Rebuilding. Landlord shall cause the insurance proceeds (the "**Insurance Proceeds**") on account of such damage or destruction to be held by Landlord and disbursed as follows:

21.4.1. Minor Restorations. If (i) the estimated cost of restoration is less than [***] Dollars ($[***]), (ii) prior to commencement of restoration, no Default or event which, with the passage of time, would give

rise to a Default shall exist and no mechanics' or materialmen's liens shall have been filed and remain undischarged, (iii) the architects, contracts, contractors, plans and specifications for the restoration shall have been approved by Landlord (which approval shall not be unreasonably withheld or delayed), (iv) Landlord shall be provided with reasonable assurance against mechanics' liens, accrued or incurred, as Landlord or its lenders may reasonably require and such other documents and instruments as Landlord or its lenders may reasonably require, and (v) Tenant shall have procured acceptable performance and payment bonds reasonably acceptable to Landlord in an amount and form, and from a surety, reasonably acceptable to Landlord, and naming Landlord as an additional obligee; then Landlord shall make available that portion of the Insurance Proceeds to Tenant for application to pay the costs of restoration incurred by Tenant and Tenant shall promptly complete such restoration.

21.4.2. Other Than Minor Restorations. If the estimated cost of restoration is equal to or exceeds[***] Dollars ($[***]), and if Tenant provides evidence satisfactory to Landlord that sufficient funds are available to restore the Premises, Landlord shall make disbursements from the available Insurance Proceeds from time to time in an amount not exceeding the cost of the work completed since the date covered by the last disbursement, upon receipt of (a) satisfactory evidence, including architect's certificates, of the stage of completion, of the estimated cost of completion and of performance of the work to date in a good and workmanlike manner in accordance with the contracts, plans and specifications, (b) reasonable assurance against mechanics' or materialmen's liens, accrued or incurred, as Landlord or its lenders may reasonably require, (c) contractors' and subcontractors' sworn statements, (d) a satisfactory bring-to-date of title insurance, (e) performance and payment bonds reasonably acceptable to Landlord in an amount and form, and from a surety, reasonably acceptable to Landlord, and naming Landlord as an additional obligee, (f) such other documents and instruments as Landlord or its lenders may reasonably require, and (g) other evidence of cost and payment so that Landlord can verify that the amounts disbursed from time to time are represented by work that is completed, in place and free and clear of mechanics' lien claims.

21.4.3. Requests for Disbursements. Requests for disbursement shall be made no more frequently than monthly and shall be accompanied by a certificate of Tenant describing in detail the work for which payment is requested, stating the cost incurred in connection therewith and stating that Tenant has not previously received payment for such work; the certificate to be delivered by Tenant upon completion of the work shall, in addition, state that the work has been completed and complies with the applicable requirements of this Lease. Landlord may retain 10% of each requisition until the restoration is fully completed. In addition, Landlord may withhold from amounts otherwise to be paid to Tenant, any amount that is necessary in Landlord's reasonable judgment to protect Landlord from any potential loss due to work that is improperly performed or claims by Tenant's contractors and consultants.

21.4.4. Costs in Excess of Insurance Proceeds. In addition, prior to commencement of restoration and at any time during restoration, if the estimated cost of restoration, as determined by the evaluation of an independent engineer acceptable to Landlord and Tenant, exceeds the amount of the Insurance Proceeds, Tenant will provide evidence satisfactory to Landlord that the amount of such excess will be available to restore the Premises. Any Insurance Proceeds remaining upon completion of restoration shall be refunded to Tenant up to the amount of Tenant's payments pursuant to the immediately preceding sentence. If no such refund is required, any sum of Insurance Proceeds remaining upon completion of restoration shall be paid to Landlord. In the event Landlord and Tenant cannot agree on an independent engineer, an independent engineer designated by Tenant and an independent engineer designated by Landlord shall within five (5) business days select an independent engineer licensed to practice in California who shall resolve such dispute within ten (10) business days after being retained by Landlord. All fees, costs and expenses of such third engineer so selected shall be shared equally by Landlord and Tenant.

21.5. Abatement of Rent. In the event of repair, reconstruction and restoration as provided in this Section, all Rent to be paid by Tenant under this Lease shall be abated proportionately based on the extent to which Tenant's use of the Premises is impaired during the period of such repair, reconstruction or restoration, unless Landlord provides Tenant with other space during the period of repair, reconstruction and restoration that, in Tenant's reasonable opinion, is suitable for the temporary conduct of Tenant's business; provided, however, that the amount of such abatement shall be reduced by the amount of Rent that is received by Tenant as part of the business interruption or loss of rental income with respect to the Premises from the proceeds of business interruption or loss

of rental income insurance. Tenant shall not otherwise be entitled to any compensation or damages from Landlord for loss of the use of the Premises, damage to Tenant's personal property or any inconvenience occasioned by such damage, repair or restoration.

21.6. Replacement Cost. The determination in good faith by Landlord of the estimated cost of repair of any damage, of the replacement cost, or of the time period required for repair shall be conclusive for purposes of this Section 21.

21.7. This Section 21 sets forth the terms and conditions upon which this Lease may terminate in the event of any damage or destruction. Accordingly, the parties hereby waive the provisions of any Applicable Laws (and any successor statutes) permitting the parties to terminate this Lease as a result of any damage or destruction.

22. Eminent Domain

22.1. In the event (a) the whole of the Premises or (b) such part thereof as shall substantially interfere with Tenant's use and occupancy of the Premises for the Permitted Use shall be taken for any public or quasi-public purpose by any lawful power or authority by exercise of the right of appropriation, condemnation or eminent domain, or sold to prevent such taking, Tenant or Landlord may terminate this Lease effective as of the date possession is required to be surrendered to such authority, except with regard to (y) items occurring prior to the taking and (z) provisions of this Lease that, by their express terms, survive the expiration or earlier termination hereof.

22.2. In the event of a partial taking of the Premises for any public or quasi-public purpose by any lawful power or authority by exercise of right of appropriation, condemnation, or eminent domain, or sole to prevent such taking, then, without regard to whether any portion of the Premises occupied by Tenant was so taken, Landlord may elect to terminate this Lease (except with regard to (a) items occurring prior to the taking and (b) provisions of this Lease that, by their express terms, survive the expiration or earlier termination hereof) as of such taking if such taking is, in Landlord’s sole opinion, of a material nature such as to make it uneconomical to continue use of the unappropriated portion for purposes of renting space for the Permitted Use.

22.3. Tenant shall be entitled to any award that is specifically awarded as compensation for (a) the taking of Tenant's personal property that was installed at Tenant's expense and (b) the costs of Tenant moving to a new location. Except as set forth in the previous sentence, any award for such taking shall be the property of Landlord.

22.4. If, upon any taking of the nature described in this Section, this Lease continues in effect, then Landlord shall promptly proceed to restore the Premises to substantially their same condition prior to such partial taking. To the extent such restoration is infeasible, as determined by Landlord in its sole and absolute discretion, the Rent shall be decreased proportionately to reflect the loss of any portion of the Premises no longer available to Tenant.

22.5. This Section 22 sets forth the terms and conditions upon which this Lease may terminate in the event of any damage or destruction. Accordingly, the parties hereby waive the provisions of any Applicable Laws (and any successor statutes) permitting the parties to terminate this Lease as a result of any damage or destruction.

23. Surrender. At least thirty (30) days prior to Tenant's surrender of possession of any part of the Premises, Tenant shall provide Landlord with a facility decommissioning and Hazardous Materials closure plan for the Premises ("**Exit Survey**") prepared by an independent third party state-certified professional with appropriate expertise, which Exit Survey must be reasonably acceptable to Landlord. In addition, at least ten (10) days prior to Tenant's surrender of possession of any part of the Premises, Tenant shall (a) provide Landlord with written evidence of all appropriate governmental releases obtained by Tenant in accordance with Applicable Laws, including laws pertaining to the surrender of the Premises, and (b) conduct a site inspection with Landlord. In addition, Tenant agrees to remain responsible after the surrender of the Premises for the remediation of any recognized environmental conditions set forth in the Exit Survey and comply with any recommendations set forth in

the Exit Survey. Tenant's obligations under this Section shall survive the expiration or earlier termination of the Lease. The provisions of this Section 23 shall survive the termination or expiration of this Lease, and no surrender of possession of any part of the Premises shall release Tenant from any of its obligations hereunder, unless such surrender is accepted in writing by Landlord.

24. Bankruptcy. In the event a debtor, trustee or debtor in possession under the Bankruptcy Code, or another person with similar rights, duties and powers under any other Applicable Laws, proposes to cure any default under this Lease or to assume or assign this Lease and is obliged to provide adequate assurance to Landlord that (a) a default shall be cured, (b) Landlord shall be compensated for its damages arising from any breach of this Lease and (c) future performance of Tenant's obligations under this Lease shall occur, then such adequate assurances shall include any or all of the following, as designated by Landlord in its sole and absolute discretion: (i) those acts specified in the Bankruptcy Code or other Applicable Laws as included within the meaning of "adequate assurance," even if this Lease does not concern a facility described in such Applicable Laws; (ii) a prompt cash payment to compensate Landlord for any monetary defaults or actual damages arising directly from a breach of this Lease; (iii) a cash deposit in an amount at least equal to the then-current amount of the Security Deposit; or (iv) the assumption or assignment of all of Tenant's interest and obligations under this Lease.

25. Brokers. Landlord and Tenant mutually represent and warrant that neither has had any dealings with any real estate broker or agent in connection with the negotiation of this Lease and that neither knows of any real estate broker or agent that is or might be entitled to a commission in connection with this Lease. Landlord and Tenant mutually agree to indemnify, save, defend (at the indemnified party's option and with counsel reasonably acceptable to the indemnified party) and hold the indemnified party harmless from any and all cost or liability for compensation claimed by any broker or agent employed or engaged by Landlord or Tenant or claiming to have been employed or engaged by Landlord or Tenant. The provisions of this Section 25 shall survive the expiration or termination of this Lease.

27. Definition of Landlord. With regard to obligations imposed upon Landlord pursuant to this Lease, the term "**Landlord**," as used in this Lease, shall refer only to Landlord or Landlord's then-current successor-in-interest. In the event of any transfer, assignment or conveyance of Landlord's interest in this Lease or in Landlord's fee title to or leasehold interest in the Property, as applicable, Landlord herein named (and in case of any subsequent transfers or conveyances, the subsequent Landlord) shall be automatically freed and relieved, from and after the date of such transfer, assignment or conveyance, from all liability for the performance of any covenants or obligations contained in this Lease thereafter to be performed by Landlord and, without further agreement, the transferee, assignee or conveyee of Landlord's in this Lease or in Landlord's fee title to or leasehold interest in the Property, as applicable, shall be deemed to have assumed and agreed to observe and perform any and all covenants and obligations of Landlord hereunder during the tenure of its interest in the Lease or the Property. Landlord or any subsequent Landlord may transfer its interest in the Premises or this Lease without Tenant's consent.

28. Limitation of Landlord's Liability. If Landlord is in default under this Lease and, as a consequence, Tenant recovers a monetary judgment against Landlord, the judgment shall be satisfied only out of (a) the proceeds of sale received on execution of the judgment and levy against the right, title and interest of Landlord in the Premises, (b) rent or other income from such real property receivable by Landlord or (c) the consideration received by Landlord from the sale, financing, refinancing or other disposition of all or any part of Landlord's right, title or interest in the Premises. Neither Landlord nor any of its affiliates, nor any of their respective partners, shareholders, directors, officers, employees, members or agents shall be personally liable for Landlord's obligations or any deficiency under this Lease. No partner, shareholder, director, officer, employee, member or agent of Landlord or any of its affiliates shall be sued or named as a party in any suit or action. No partner, shareholder, director, officer, employee, member or agent of Landlord or any of its affiliates shall be required to answer or otherwise plead to any service of process, and no judgment shall be taken or writ of execution levied against any partner, shareholder, director, officer, employee, member or agent of Landlord or any of its affiliates. Each of the covenants and agreements of this Section 28 shall be applicable to any covenant or agreement either expressly contained in this Lease or imposed by Applicable Laws and shall survive the expiration or earlier termination of this Lease.

29. Control by Landlord. Landlord reserves full control over the Premises to the extent not inconsistent Illinois law and regulation or with Tenant's enjoyment of the same as provided by this Lease; provided, however, that such rights shall be exercised in a way that does not materially adversely affect Tenant's beneficial use and occupancy of the Premises, including the Permitted Use and Tenant's access to the Premises. Tenant shall, at Landlord's request, promptly execute such further documents as may be reasonably appropriate to assist Landlord in the performance of its obligations hereunder; provided that Tenant need not execute any document that creates additional liability for Tenant or that deprives Tenant of the quiet enjoyment and use of the Premises as provided for in this Lease. Landlord may, upon twenty-four (24) hours' prior notice (which may be oral or by email to the office manager or other Tenant-designated individual at the Premises; but provided that no time restrictions shall apply or advance notice be required if an emergency necessitates immediate entry), enter the Premises to (v) inspect the same and to determine whether Tenant is in compliance with its obligations hereunder, (w) supply any service Landlord is required to provide hereunder, (x) post notices of nonresponsibility and (y) show the Premises to prospective tenants during the final year of the Term and current and prospective purchasers and lenders at any time (in all situations provided that Landlord's personnel are accompanied by Tenants' authorized personnel in sensitive areas of the Premises). In no event shall Tenant's Rent abate as a result of Landlord's activities pursuant to this Section 29; provided, however, that all such activities shall be conducted in such a manner so as to cause as little interference to Tenant as is reasonably possible. If an emergency necessitates immediate access to the Premises, Landlord may use whatever force is necessary to enter the Premises, and any such entry to the Premises shall not constitute a forcible or unlawful entry to the Premises, a detainer of the Premises, or an eviction of Tenant from the Premises or any portion thereof.

30. Joint and Several Obligations. If more than one person or entity executes this Lease as Tenant, then (i) each of them is jointly and severally liable for the keeping, observing and performing of all of the terms, covenants, conditions, provisions and agreements of this Lease to be kept, observed or performed by Tenant, and such terms, covenants, conditions, provisions and agreements shall be binding with the same force and effect upon each and all of the persons executing this Lease as Tenant; and (ii) the term "**Tenant**," as used in this Lease, shall mean and include each of them, jointly and severally. The act of, notice from/to, refund to, or signature of any one or more of them with respect to the tenancy under this Lease, including any renewal, extension, expiration, termination or modification of this Lease, shall be binding upon each and all of the persons executing this Lease as Tenant with the same force and effect as if each and all of them had so acted, so given or received such notice or refund, or so signed.

31. Representations. Each of Tenant and Landlord guarantees, warrants and represents that (a) such party is duly incorporated or otherwise established or formed and validly existing under the laws of its state of incorporation, establishment or formation, (b) such party is duly qualified to do business in the state in which the Property is located, (c) such party has full corporate, partnership, trust, association or other appropriate power and authority to enter into this Lease and to perform its obligations hereunder, (d) each person (and all of the persons if more than one signs) signing this Lease on behalf of such party is duly and validly authorized to do so and (e) neither (i) the execution, delivery or performance of this Lease nor (ii) the consummation of the transactions contemplated hereby will violate or conflict with any provision of documents or instruments under which such party is constituted or to which such party is a party. In addition, Tenant guarantees, warrants and represents that none of (x) it, (y) its affiliates or partners nor (z) to the best of its knowledge, its members, shareholders or other equity owners or any of their respective employees, officers, directors, representatives or agents is a person or entity with whom U.S. persons or entities are restricted from doing business under regulations of the Office of Foreign Asset Control ("**OFAC**") of the Department of the Treasury (including those named on OFAC's Specially Designated and Blocked Persons List) or under any statute, executive order (including the September 24, 2001, Executive Order Blocking Property and Prohibiting Transactions with Persons Who Commit, Threaten to Commit, or Support Terrorism) or other similar governmental action.

32. Confidentiality. Tenant shall keep the terms and conditions of this Lease confidential and shall not (a) disclose to any third party any terms or conditions of this Lease or any other Lease-related document (including subleases, assignments, work letters, construction contracts, letters of credit, subordination agreements, non-disturbance agreements, brokerage agreements or estoppels) or (b) provide to any third party an original or copy of this Lease (or any Lease-related document). Notwithstanding the foregoing, confidential information under this

Section may be released by Landlord or Tenant under the following circumstances: (x) if required by Applicable Laws or in any judicial proceeding, including with respect to Tenant's permits and licenses required for the Permitted Use; provided that the releasing party has given the other party reasonable notice of such requirement, if feasible, (y) to a party's attorneys, investors, accountants, brokers and other bona fide consultants or advisers; provided such third parties agree to be bound by this Section or (z) to bona fide prospective assignees or subtenants of this Lease; provided they agree in writing to be bound by this Section.

33. Notices. Except as otherwise stated in this Lease, any notice, consent, demand, invoice, statement or other communication required or permitted to be given hereunder shall be in writing and shall be given by (a) personal delivery, (b) overnight delivery with a reputable international overnight delivery service, such as FedEx, or (c) facsimile or email transmission, so long as such transmission is followed within one (1) business day by delivery utilizing one of the methods described in Subsection 33(a) or (b). Any such notice, consent, demand, invoice, statement or other communication shall be deemed delivered (x) upon receipt, if given in accordance with Subsection 33(a); (y) one (1) business day after deposit with a reputable international overnight delivery service, if given if given in accordance with Subsection 33(b); or (z) upon transmission, if given in accordance with Subsection 33(c). Except as otherwise stated in this Lease, any notice, consent, demand, invoice, statement or other communication required or permitted to be given pursuant to this Lease shall be addressed to Tenant at the Premises, or to Landlord or Tenant at the addresses shown in Section 2. Either party may, by notice to the other given pursuant to this Section, specify additional or different addresses for notice purposes.

34. Guaranties. In the event that any entity affiliated with Tenant is formed after the Execution Date which entity conducts business in the cannabis industry (each, a "**New Guarantor**"), Tenant shall promptly cause such New Guarantor to execute a Guaranty in the form attached hereto as Exhibit D and deliver such executed Guaranty to Landlord. Any failure by Tenant to provide such Guaranty within thirty (30) days following the formation of such New Guarantor shall be deemed a material default under this Lease. The obligations of each Guarantor shall be joint and several and Tenant shall cause each Guarantor to execute and deliver such further documentation as may be reasonably required to confirm such Guarantor's full and unconditional guaranty of Tenant's obligations under this Lease.

35. Miscellaneous.

35.1. To induce Landlord to enter into this Lease, Tenant agrees that it shall, upon Landlord's written request and within one-hundred and twenty (120) days after the end of Tenant's financial year, furnish Landlord with a certified copy of Tenant's and Ascend Wellness Holdings, LLC's (or any successor entity thereto, "**Holdco Guarantor**") year-end financial statements for the previous year. Tenant also agrees that it shall, upon Landlord's written request and within forty-five (45) days after the end of Tenant's fiscal quarter, furnish to Landlord compiled financial statements for the quarter of Tenant and Holdco Guarantor. Tenant represents and warrants that all financial statements, records and information furnished by Tenant to Landlord in connection with this Lease are true, correct and complete in all respects and that all financial statements, records and information furnished by Holdco Guarantor to Landlord in connection with this Lease are true, correct and complete in all respects. The provisions of this Section shall not apply at any time while Tenant or Holdco Guarantor (as applicable) is a corporation whose shares are traded on any nationally recognized stock exchange.

35.2. The terms of this Lease are intended by the parties as a final, complete and exclusive expression of their agreement with respect to the terms that are included herein, and may not be contradicted or supplemented by evidence of any other prior or contemporaneous agreement except to the extent that modification is necessary to comply with Illinois law and/or regulation. To the extent that such modification is required, Landlord and Tenant agree to be bound by the terms of this Lease that are compliant and work in good faith, and within a reasonable period of time, to modify the non-compliant terms so that they may be brought into compliance.

35.3. Neither party shall record this Lease.

35.4. Landlord and Tenant have each participated in the drafting and negotiation of this Lease, and the language in all parts of this Lease shall be in all cases construed as a whole according to its fair meaning and not strictly for or against either Landlord or Tenant.

35.5. Except as otherwise expressly set forth in this Lease, each party shall pay its own costs and expenses incurred in connection with this Lease and such party's performance under this Lease; provided that, if either party commences an action, proceeding, demand, claim, action, cause of action or suit against the other party arising out of or in connection with this Lease, then the substantially prevailing party shall be reimbursed by the other party for all reasonable costs and expenses, including reasonable attorneys' fees and expenses, incurred by the substantially prevailing party in such action, proceeding, demand, claim, action, cause of action or suit, and in any appeal in connection therewith (regardless of whether the applicable action, proceeding, demand, claim, action, cause of action, suit or appeal is voluntarily withdrawn or dismissed).

35.6. Time is of the essence with respect to the performance of every provision of this Lease.

35.7. Each provision of this Lease performable by Tenant shall be deemed both a covenant and a condition.

35.8. Notwithstanding anything to the contrary contained in this Lease, Tenant's obligations under this Lease are independent and shall not be conditioned upon performance by Landlord.

35.9. Whenever consent or approval of either party is required, that party shall not unreasonably withhold, condition or delay such consent or approval, except as may be expressly set forth to the contrary.

35.10. Any provision of this Lease that shall prove to be invalid, void or illegal shall in no way affect, impair or invalidate any other provision hereof, and all other provisions of this Lease shall remain in full force and effect and shall be interpreted as if the invalid, void or illegal provision did not exist.

35.11. Each of the covenants, conditions and agreements herein contained shall inure to the benefit of and shall apply to and be binding upon the parties hereto and their respective heirs; legatees; devisees; executors; administrators; and permitted successors and assigns. This Lease is for the sole benefit of the parties and their respective heirs, legatees, devisees, executors, administrators and permitted successors and assigns, and nothing in this Lease shall give or be construed to give any other person or entity any legal or equitable rights. Nothing in this Section shall in any way alter the provisions of this Lease restricting assignment or subletting.

35.12. This Lease shall be governed by, construed and enforced in accordance with the laws of the state in which the Premises are located, without regard to such state's conflict of law principles.

35.13. Landlord covenants that Tenant, upon paying the Rent and performing its obligations contained in this Lease, may peacefully and quietly have, hold and enjoy the Premises, free from any claim by Landlord or persons claiming under Landlord, but subject to all of the terms and provisions hereof, provisions of Applicable Laws and rights of record to which this Lease is or may become subordinate. This covenant is in lieu of any other quiet enjoyment covenant, either express or implied.

35.14. Each of Tenant and Landlord guarantees, warrants and represents to the other party that the individual or individuals signing this Lease have the power, authority and legal capacity to sign this Lease on behalf of and to bind all entities, corporations, partnerships, limited liability companies, joint venturers or other organizations and entities on whose behalf such individual or individuals have signed.

35.15. This Lease may be executed in one or more counterparts, each of which, when taken together, shall constitute one and the same document.

35.16. No provision of this Lease may be modified, amended or supplemented except by an agreement in writing signed by Landlord and Tenant.

35.17. No waiver of any term, covenant or condition of this Lease shall be binding upon Landlord unless executed in writing by Landlord. The waiver by Landlord of any breach or default of any term, covenant or condition contained in this Lease shall not be deemed to be a waiver of any preceding or subsequent breach or default of such term, covenant or condition or any other term, covenant or condition of this Lease.

35.18. To the extent permitted by Applicable Laws, the parties waive trial by jury in any action, proceeding or counterclaim brought by the other party hereto related to matters arising out of or in any way connected with this Lease; the relationship between Landlord and Tenant; Tenant's use or occupancy of the Premises; or any claim of injury or damage related to this Lease or the Premises.

[The remainder of this page is intentionally left blank. Signature page follows.]

IN WITNESS WHEREOF, the parties hereto have duly executed this Lease on the day and year first above written.

LANDLORD:

IIP-IL 1 LLC,
a Delaware limited liability company

By: /s/ Catherine Hastings
Name: Catherine Hastings
Title: Chief Financial Officer, Chief Accounting Officer and Treasurer

TENANT:

ASCEND ILLINOIS, LLC,
a Illinois limited liability company

By: /s/ Abner Kurtin
Name: Abner Kurtin
Title: Manager

EXHIBIT A

PREMISES

PARCEL 1:
A TRACT OF LAND LYING IN AND BEING PART OF THE NORTHWEST QUARTER OF SECTION 24, TOWNSHIP 4 SOUTH, RANGE 6 WEST OF THE FOURTH PRINCIPAL MERIDIAN, PIKE COUNTY, ILLINOIS AND BEING MORE FULLY DESCRIBED AS FOLLOWS: COMMENCING AT A POINT MARKING THE NORTHWEST CORNER OF THE AFOREMENTIONED NORTHWEST QUARTER OF SECTION 24; THENCE SOUTH 88 DEGREES 13 MINUTES 48 SECONDS EAST ALONG THE NORTH LINE OF SAID NORTHWEST QUARTER A DISTANCE OF 176.80 FEET TO THE POINT OF BEGINNING; THENCE CONTINUING SOUTH 88 DEGREES 13 MINUTES 48 SECONDS EAST ALONG SAID NORTH LINE A DISTANCE OF 1150.20 FEET; THENCE SOUTH 00 DEGREES 42 MINUTES 02 SECONDS WEST LEAVING SAID NORTH LINE A DISTANCE OF 380.07 FEET; THENCE NORTH 88 DEGREES 13 MINUTES 48 SECONDS WEST A DISTANCE OF 1150.20 FEET; THENCE NORTH 00 DEGREES 42 MINUTES 02 SECONDS EAST A DISTANCE OF 380.07 FEET TO THE POINT OF BEGINNING; CONTAINING 10.0 ACRES MORE OR LESS; WITH THE ABOVE DESCRIBED SUBJECT TO THAT PORTION NOW BEING USED FOR PUBLIC ROAD PURPOSES AND SUBJECT TO ANY EASEMENT OR RIGHT OF WAYS OF RECORD OR NOT OF RECORD, IF ANY.

PARCEL 2:
A TRACT OF LAND LYING IN AND BEING PART OF THE NORTHWEST QUARTER OF SECTION 24, TOWNSHIP 4 SOUTH, RANGE 6 WEST OF THE FOURTH PRINCIPAL MERIDIAN, PIKE COUNTY, ILLINOIS, AND BEING MORE FULLY DESCRIBED AS FOLLOWS: COMMENCING AT A POINT MARKING THE NORTHWEST CORNER OF THE NORTHWEST QUARTER OF THE AFOREMENTIONED SECTION 24; THENCE SOUTH 88 DEGREES 13 MINUTES 48 SECONDS EAST ALONG THE NORTH LINE OF SAID NORTHWEST QUARTER A DISTANCE OF 1327.00 FEET TO THE POINT OF BEGINNING; THENCE CONTINUING SOUTH 88 DEGREES 13 MINUTES 48 SECONDS EAST ALONG SAID NORTH LINE A DISTANCE OF 30.00 FEET; THENCE SOUTH 00 DEGREES 42 MINUTES 02 SECONDS WEST LEAVING SAID NORTH LINE A DISTANCE OF 380.07 FEET; THENCE NORTH 88 DEGREES 13 MINUTES 48 SECONDS WEST A DISTANCE OF 30.00 FEET; THENCE NORTH 00 DEGREES 42 MINUTES 02 SECONDS EAST A DISTANCE OF 380.07 FEET TO THE POINT OF BEGINNING; WITH THE ABOVE DESCRIBED SUBJECT TO THAT PORTION NOW BEING USED FOR PUBLIC ROAD PURPOSES AND SUBJECT TO ANY EASEMENT OR RIGHT OF WAYS OF RECORD OR NOT OF RECORDS IF ANY; THE PARENT TRACT FOR THE ABOVE DESCRIBED IS RECORDED IN BOOK 826 AT PAGE 325 IN THE PIKE COUNTY RECORDER OF DEEDS OFFICE.
COMMONLY KNOWN AS: ONE 310TH AVENUE, BARRY, IL 62312

PERMANENT INDEX NUMBER: 46-027-07G
46-0127-07H

EXHIBIT B

TENANT'S PERSONAL PROPERTY

See the items on the Excluded Property Schedule 3.0 in the Purchase Agreement, incorporated by reference herein.

EXHIBIT C

FORM OF TENANT ESTOPPEL CERTIFICATE

To: IIP-IL 1 LLC
11440 West Bernardo Court, Suite 220
San Diego, California 92127
Attention: General Counsel

Re: [PREMISES ADDRESS] (the "Premises") at 420 Revolution Road, Barry, Illinois (the "Property")

The undersigned tenant ("Tenant") hereby certifies to you as follows:

1. Tenant is a tenant at the Property under a lease (the "Lease") for the Premises dated as of [_____], 20[__]. The Lease has not been cancelled, modified, assigned, extended or amended [except as follows: [_____]], and there are no other agreements, written or oral, affecting or relating to Tenant's lease of the Premises or any other space at the Property. The lease term expires on [_____], 20[__].

2. Tenant took possession of the Premises, currently consisting of [_____] square feet, on [_____], 20[__], and commenced to pay rent on [_____], 20[__]. Tenant has full possession of the Premises, has not assigned the Lease or sublet any part of the Premises, and does not hold the Premises under an assignment or sublease[, except as follows: [_____]].

3. All base rent, rent escalations and additional rent under the Lease have been paid through [_____], 20[__]. There is no prepaid rent[, except $[_____]][, and the amount of security deposit is $[_____] [in cash][OR][in the form of a letter of credit]]. Tenant currently has no right to any future rent abatement under the Lease.

4. Base rent is currently payable in the amount of $[_____] per month.

5. All work to be performed for Tenant under the Lease has been performed as required under the Lease and has been accepted by Tenant[, except [_____]], and all allowances to be paid to Tenant, including allowances for tenant improvements, moving expenses or other items, have been paid.

6. The Lease is in full force and effect, free from default and free from any event that could become a default under the Lease, and Tenant has no claims against the landlord or offsets or defenses against rent, and there are no disputes with the landlord. Tenant has received no notice of prior sale, transfer, assignment, hypothecation or pledge of the Lease or of the rents payable thereunder[, except [_____]].

7. Tenant has no rights or options to purchase the Property.

8. To Tenant's knowledge, no hazardous wastes have been generated, treated, stored or disposed of by or on behalf of Tenant in, on or around the Premises in violation of any environmental laws.

9. The undersigned has executed this Estoppel Certificate with the knowledge and understanding that [INSERT NAME OF LANDLORD, PURCHASER OR LENDER, AS APPROPRIATE] or its assignee is [acquiring the Property/making a loan secured by the Property] in reliance on this certificate and that the undersigned shall be bound by this certificate. The statements contained herein may be relied upon by [INSERT NAME OF PURCHASER OR LENDER, AS APPROPRIATE], IIP-IL 1 LLC, IIP Operating Partnership, LP, Innovative Industrial Properties, Inc., and any [other] mortgagee of the Property and their respective successors and assigns.

[Signature page follows]

Any capitalized terms not defined herein shall have the respective meanings given in the Lease.

Dated this [____] day of [_____], 20[__].

[_____],
a [_____]

By: _____
Name: _____
Title: _____

EXHIBIT D

FORM OF

GUARANTY OF LEASE

This Guaranty of Lease ("**Guaranty**") is executed effective on the ____ day of December, 2018, by [_____], a [_____] ("**Guarantors**"), in favor of IIP-IL 1 LLC, a Delaware limited liability company ("**Landlord**"), whose address for notices is 11440 West Bernardo Court, Suite 220, San Diego, California 92127, Attn: General Counsel.

For good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Guarantor covenants and agrees as follows:

1. **Recitals.** This Guaranty is made with reference to the following recitals of facts which constitute a material part of this Guaranty:

(a) Landlord, as Landlord, and Ascend Illinois, LLC, an Illinois limited liability company, as Tenant ("**Tenant**"), entered into that certain Lease dated as of December 20, 2018 (the "**Lease**"), with respect to certain space in the building located at 420 Revolution Road, Barry, Illinois, as more particularly described in the Lease (the "**Leased Premises**").

(b) Guarantor is [DESCRIBE RELATIONSHIP OF GUARANTOR TO TENANT] and is therefore receiving a substantial benefit for executing this Guaranty.

(c) Landlord would not have entered into the Lease with Tenant without having received the Guaranty executed by Guarantor as an inducement to Landlord.

(d) By this Guaranty, Guarantor intends to absolutely, unconditionally and irrevocably guarantee the full, timely, and complete (i) payment of all rent and other sums required to be paid by Tenant under the Lease and any other indebtedness of Tenant, (ii) performance of all other terms, covenants, conditions and obligations of Tenant arising out of the Lease and all foreseeable and unforeseeable damages that may arise as a foreseeable or unforeseeable consequence of any non-payment, non-performance or non-observance of, or non-compliance with, any of the terms, covenants, conditions or other obligations described in the Lease (including, without limitation, all attorneys' fees and disbursements and all litigation costs and expenses incurred or payable by Landlord or for which Landlord may be responsible or liable, or caused by any such default), and (iii) payment of any and all expenses (including reasonable attorneys' fees and expenses and litigation expenses) incurred by Landlord in enforcing any of the rights under the Lease or this Guaranty within five (5) days after Landlord's demand thereafter (collectively, the "**Guaranteed Obligations**").

2. **Guaranty.** From and after the Execution Date (as such term is defined under the Lease), Guarantor absolutely, unconditionally and irrevocably guarantees, as principal obligor and not merely as surety, to Landlord, the full, timely and unconditional payment and performance, of the Guaranteed Obligations strictly in accordance with the terms of the Lease, as such Guaranteed Obligations may be modified, amended, extended or renewed from time to time. This is a Guaranty of payment and performance and not merely of collection. Guarantor agrees that Guarantor is primarily liable for and responsible for the payment and performance of the Guaranteed Obligations. Guarantor shall be bound by all of the provisions, terms, conditions, restrictions and limitations contained in the Lease which are to be observed or performed by Tenant, the same as if Guarantor was named therein as Tenant with joint and several liability with Tenant, and any remedies that Landlord has under the Lease against Tenant shall apply to Guarantor as well. If Tenant defaults in any Guaranteed Obligation under the Lease, Guarantor shall in lawful money of the United States, pay to Landlord on demand the amount due and owing under the Lease. Guarantor waives any rights to notices of acceptance, modifications, amendment, extension or breach of the Lease. If Guarantor is a natural person, it is expressly agreed that this guaranty shall survive the death of such guarantor and shall continue in effect. The obligations of Guarantor under this Guaranty are independent of the obligations of

Tenant or any other guarantor. Guarantor acknowledges that this Guaranty and Guarantor's obligations and liabilities under this Guaranty are and shall at all times continue to be absolute and unconditional in all respects and shall be the separate and independent undertaking of Guarantor without regard to the genuineness, validity, legality or enforceability of the Lease, and shall at all times be valid and enforceable irrespective of any other agreements or circumstances of any nature whatsoever which might otherwise constitute a defense to this Guaranty and the obligations and liabilities of Guarantor under this Guaranty or the obligations or liabilities of any other person or entity (including, without limitation, Tenant) relating to this Guaranty or the obligations or liabilities of Guarantor hereunder or otherwise with respect to the Lease or to Tenant. Guarantor hereby absolutely, unconditionally and irrevocably waives any and all rights it may have to assert any defense, set-off, counterclaim or cross-claim of any nature whatsoever with respect to this Guaranty or the obligations or liabilities of Guarantor under this Guaranty or the obligations or liabilities of any other person or entity (including, without limitation, Tenant) relating to this Guaranty or the obligations or liabilities of Guarantor under this Guaranty or otherwise with respect to the Lease, in any action or proceeding brought by the holder hereof to enforce the obligations or liabilities of Guarantor under this Guaranty. This Guaranty sets forth the entire agreement and understanding of Landlord and Guarantor, and Guarantor acknowledges that no oral or other agreements, understandings, representations or warranties exist with respect to this Guaranty or with respect to the obligations or liabilities of Guarantor under this Guaranty. The obligations of Guarantor under this Guaranty shall be continuing and irrevocable (a) during any period of time when the liability of Tenant under the Lease continues, and (b) until all of the Guaranteed Obligations have been fully discharged by payment, performance or compliance. If at any time all or any part of any payment received by Landlord from Tenant or Guarantor or any other person under or with respect to the Lease or this Guaranty has been refunded or rescinded pursuant to any court order, or declared to be fraudulent or preferential, or are set aside or otherwise are required to be repaid to Tenant, its estate, trustee, receiver or any other party, including as a result of the insolvency, bankruptcy or reorganization of Tenant or any other party (an "**Invalidated Payment**"), then Guarantor's obligations under the Guaranty shall, to the extent of such Invalidated Payment be reinstated and deemed to have continued in existence as of the date that the original payment occurred. This Guaranty shall not be affected or limited in any manner by whether Tenant may be liable, with respect to the Guaranteed Obligations individually, jointly with other primarily, or secondarily.

3. **No Impairment of Guaranteed Obligations**. Guarantor further agrees that Guarantor's liability for the Guaranteed Obligations shall in no way be released, discharged, impaired or affected or subject to any counterclaim, setoff or deduction by (a) any waiver, consent, extension, indulgence, compromise, release, departure from or other action or inaction of Landlord under or in respect of the Lease or this Guaranty, or any obligation or liability of Tenant, or any exercise or non-exercise of any right, remedy, power or privilege under or in respect to the Lease or this Guaranty, (b) any change in the time, manner or place of payment or performance of the Guaranteed Obligations, (c) the acceptance by Landlord of any additional security or any increase, substitution or change therein, (d) the release by Landlord of any security or any withdrawal thereof or decrease therein, (e) any assignment of the Lease or any subletting of all or any portion of the Leased Premises (with or without Landlord's consent), (f) any holdover by Tenant beyond the term of the Lease (g) any termination of the Lease, (h) any release or discharge of Tenant in any bankruptcy, receivership or other similar proceedings, (i) the impairment, limitation or modification of the liability of Tenant or the estate of Tenant in bankruptcy or of any remedy for the enforcement of Tenant's liability under the Lease resulting from the operation of any present or future provisions of any bankruptcy code or other statute or from the decision in any court, or the rejection or disaffirmance of the Lease in any such proceedings, (j) any merger, consolidation, reorganization or similar transaction involving Tenant, even if Tenant ceases to exist as a result of such transaction, (k) the change in the corporate relationship between Tenant and Guarantor or any termination of such relationship, (l) any change in the direct or indirect ownership of all or any part of the shares in Tenant, or (m) to the extent permitted under applicable law, any other occurrence or circumstance whatsoever, whether similar or dissimilar to the foregoing, which might otherwise constitute a legal or equitable defense or discharge of the liabilities of Guarantor or which might otherwise limit recourse against Guarantor. Guarantor further understands and agrees that Landlord may at any time enter into agreements with Tenant to amend and modify the Lease, and may waive or release any provision or provisions of the Lease, and, with reference to such instruments, may make and enter into any such agreement or agreements as Landlord and Tenant may deem proper and desirable, without in any manner impairing or affecting this Guaranty or any of Landlord's rights hereunder or Guarantor's obligations hereunder, unless otherwise agreed in writing thereunder or under the Lease.

4. **Remedies**.

(a) If Tenant defaults with respect to the Guaranteed Obligations, and if Guarantor does not fulfill Tenant's obligations immediately upon its receipt of written notice of such default from Landlord, Landlord may at its election proceed immediately against Guarantor, Tenant, or any combination of Tenant, Guarantor, and/or any other guarantor. It is not necessary for Landlord, in order to enforce payment and performance by Guarantor under this Guaranty, first or contemporaneously to institute suit or exhaust remedies against Tenant or other liable for any of the Guaranteed Obligations or to enforce rights against any collateral securing any of it. Guarantor hereby waives any right to require Landlord to join Tenant in any action brought hereunder or to commence any action against or obtain any judgment against Tenant or to pursue any other remedy or enforce any other right. If any portion of the Guaranteed Obligations terminates and Landlord continues to have any rights that it may enforce against Tenant under the Lease after such termination, then Landlord may at its election enforce such rights against Guarantor. Unless and until all Guaranteed Obligations have been fully satisfied, Guarantor shall not be released from its obligations under this Guaranty irrespective of: (i) the exercise (or failure to exercise) by Landlord of any of Landlord's rights or remedies (including, without limitation, compromise or adjustment of the Guaranteed Obligations or any part thereof); or (ii) any release by Landlord in favor of Tenant regarding the fulfillment by Tenant of any obligation under the Lease.

(b) Notwithstanding anything in the foregoing to the contrary, Guarantor hereby covenants and agrees to and with Landlord that Guarantor may be joined in any action by or against Tenant in connection with the Lease. Guarantor also agrees that, in any jurisdiction, it will be conclusively bound by the judgment in any such action by or against Tenant (wherever brought) as if Guarantor were a party to such action even though Guarantor is not joined as a party in such action.

5. **Waivers.** With the exception of the defense of prior payment, performance or compliance by Tenant or Guarantor of or with the Guaranteed Obligations which Guarantor is called upon to pay or perform, or the defense that Landlord's claim against Guarantor is barred by the applicable statute of limitations, Guarantor hereby waives and releases all defenses of the law of guaranty or suretyship to the extent permitted by law.

6. **Rights Cumulative.** All rights, powers and remedies of Landlord under this Guaranty shall be cumulative and in addition to all rights, powers and remedies given to Landlord by law.

7. **Representations and Warranties.** Guarantor hereby represents and warrants that (a) Guarantor has goods and net worth that are sufficient to enable Guarantor to promptly perform all of the Guaranteed Obligations as and when they are due; (b) Landlord has made no representation to Guarantor as to the creditworthiness or financial condition of Tenant; (c) Guarantor has full power to execute, deliver and carry out the terms and provisions of this Guaranty and has taken all necessary action to authorize the execution, delivery and performance of this Guaranty; (d) Guarantor's execution and delivery of, and the performance of its obligations under, this Guaranty does not conflict with or violate any of Guarantor's organizational documents, or any contract, agreement or decree which Guarantor is a party to or which is binding on Guarantor; (e) the individual executing this Guaranty on behalf of Guarantor has the authority to bind Guarantor to the terms and conditions of this Guaranty; (f) Guarantor has been represented by counsel of its choice in connection with this Guaranty; (g) this Guaranty when executed and delivered shall constitute the legal, valid and binding obligations of Guarantor enforceable against Guarantor in accordance with its terms; and (h) there is no action, suit, or proceeding pending or, to the knowledge of Guarantor, threatened against Guarantor before or by any governmental authority which questions the validity or enforceability of, or Guarantor's ability to perform under, this Guaranty.

8. **Subordination.** In the event of Tenant's insolvency or the disposition of the assets of Tenant, through bankruptcy, by an assignment for the benefit of creditors, by voluntary liquidation, or otherwise, the assets of Tenant applicable to the payment of all claims of Landlord and/or Guarantor shall be paid to Landlord and shall be first applied by Landlord to the Guaranteed Obligations. Any indebtedness of Tenant now or hereafter held by Guarantor, whether as original creditor or assignee or by way of subrogation, restitution, reimbursement, indemnification or otherwise, is hereby subordinated in right of payment to the Guaranteed Obligations. So long as an uncured event of default exists under the Lease, (a) at Landlord's written request, Guarantor shall cause Tenant to

pay to Landlord all or any part of any funds invested in or loaned to Tenant by Guarantor which Guarantor is entitled to withdraw or collect and (b) any such indebtedness or other amount collected or received by Guarantor shall be held in trust for Landlord and shall forthwith be paid over to Landlord to be credited and applied against the Guaranteed Obligations. Subject to the foregoing, Guarantor shall be entitled to receive from Landlord any amounts that are, from time to time, due to Guarantor in the ordinary course of business. Until all of Tenant's obligations under the Lease are fully performed, Guarantor shall have no right of subrogation against Tenant by reason of any payments, acts or performance by Guarantor under this Guaranty.

9. **Governing Law.** This Guaranty shall be governed by and construed in accordance with the laws of the State of Illinois, United States of America, without regard to principles of conflicts of laws. TO THE FULLEST EXTENT PERMITTED BY LAW, GUARANTOR HEREBY UNCONDITIONALLY AND IRREVOCABLY WAIVES ANY CLAIM TO ASSERT THAT THE LAW OF ANY OTHER JURISDICTION GOVERNS THIS GUARANTY.

10. **Attorneys' Fees.** In the event any litigation or other proceeding ("**Proceeding**") is initiated by any party against any other party to enforce this Guaranty, the prevailing party in such Proceeding shall be entitled to recover from the unsuccessful party all costs, expenses, and actual reasonable attorneys' fees relating to or arising out of such Proceeding.

11. **Modification.** This Guaranty may be modified only by a contract in writing executed by Guarantor and Landlord.

12. **Invalidity.** If any provision of the Guaranty shall be invalid or unenforceable, the remainder of this Guaranty shall not be affected by such invalidity or unenforceability. In the event, and to the extent, that this Guaranty shall be held ineffective or unenforceable by any court of competent jurisdiction, then Guarantor shall be deemed to be a tenant under the Lease with the same force and effect as if Guarantor were expressly named as a co-tenant therein with joint and several liability.

13. **Successors and Assigns.** Unless otherwise agreed in writing or under the Lease, this Guaranty shall be binding upon and shall inure to the benefit of the successors-in-interest and assigns of each party to this Guaranty.

14. **Notices.** Any notice, consent, demand, invoice, statement or other communication required or permitted to be given hereunder shall be in writing and shall be given by (a) personal delivery, (b) overnight delivery with a reputable international overnight delivery service, such as FedEx, or (c) facsimile or email transmission, so long as such transmission is followed within one (1) business day by delivery utilizing one of the methods described in subsections (a) or (b). Any such notice, consent, demand, invoice, statement or other communication shall be deemed delivered (x) upon receipt, if given in accordance with subsection (a); (y) one business (1) day after deposit with a reputable international overnight delivery service, if given if given in accordance with subsection (b); or (z) upon transmission, if given in accordance with subsection (c). Except as otherwise stated in this Guaranty, any notice, consent, demand, invoice, statement or other communication required or permitted to be given pursuant to this Guaranty shall be addressed to Guarantor or Landlord at the address set forth above in the introductory paragraph of this Guaranty. Either party may, by notice to the other given pursuant to this Section, specify additional or different addresses for notice purposes.

15. **Waiver.** Any waiver of a breach or default under this Guaranty must be in a writing that is duly executed by Landlord and shall not be a waiver of any other default concerning the same or any other provision of this Guaranty. No delay or omission in the exercise of any right or remedy shall impair such right or remedy or be construed as a waiver.

16. **Withholding**. Unless otherwise agreed in the Lease, any and all payments by Guarantor to Landlord under this Guaranty shall be made free and clear of and without deduction for any and all present or future taxes, duties, levies, imposts, deductions, assessments, fees, withholdings or similar charges, and all liabilities with respect thereto (collectively, "**Taxes**"). If Guarantor shall be required by any applicable laws to deduct any Taxes from or in respect of any sum payable under this Guaranty to Landlord: (a) the sum payable shall be increased as necessary so that

after making all required deductions, the Landlord receives an amount equal to the sum it would have received had no such deductions been made; (b) Guarantor shall make such deductions; and (c) Guarantor shall pay the full amount deducted to the relevant taxation authority or other authority in accordance with applicable laws.

17. **Financial Condition of Tenant**. Landlord shall have no obligation to disclose or discuss with Guarantor Landlord's assessment of the financial condition of Tenant. Guarantor has adequate means to obtain information from Tenant on a continuing basis concerning the financial condition of Tenant and its ability to perform its Guaranteed Obligations, and Guarantor assumes responsibility for being and keeping informed of Tenant's financial condition and of all circumstances bearing upon the risk of Tenant's failure to perform the Guaranteed Obligations.

18. **Bankruptcy**. So long as the Guaranteed Obligations remain outstanding, Guarantor shall not, without Landlord's prior written consent, commence or join with any other person in commencing any bankruptcy or similar proceeding of or against Tenant. Guarantor's obligations hereunder shall not be reduced, limited, impaired, discharged, deferred, suspended or terminated by any bankruptcy or similar proceeding (voluntary or involuntary) involving Tenant or by any defense that Tenant may have by reason of an order, decree or decision of any court or administrative body resulting from any such proceeding. To the fullest extent permitted by law, Guarantor will permit any trustee in bankruptcy, receiver, debtor in possession, assignee for the benefit of creditors or similar person to pay to Landlord or allow the claim of Landlord in respect of any interest, fees, costs, expenses or other Guaranteed Obligations accruing or arising after the date on which such case or proceeding is commenced.

19. **Conveyance or Transfer**. Without Landlord's written consent, Guarantor shall not convey, sell, lease or transfer any of its properties or assets to any person or entity to the extent that such conveyance, sale, lease or transfer could have a material adverse effect on Guarantor's ability to fulfill any of the Guaranteed Obligations.

20. **[NOTE: ONLY WHERE GUARANTOR IS NOT A DIRECT OR INDIRECT PARENT OF TENANT: [Limitation on Obligations Guaranteed.**

(a) Notwithstanding any other provision hereof, the right of recovery against Guarantor under Section 2 shall not exceed $1.00 less than the lowest amount that would render Guarantor's obligations under Section 2 void or voidable under applicable law, including, without limitation, the Uniform Fraudulent Conveyance Act, Uniform Fraudulent Transfer Act or any similar foreign, federal or state law to the extent applicable to the guaranty set forth herein and the obligations of Guarantor hereunder. To effectuate the foregoing, the Guaranteed Obligations in respect of the guarantee set forth in Section 2 at any time shall be limited to the maximum amount as would result in the Guaranteed Obligations with respect thereto not constituting a fraudulent transfer or conveyance after giving full effect to the liability under such guarantee set forth in Section 2 and its related contribution rights, but before taking into account any liabilities under any other guarantee by Guarantor. For purposes of the foregoing, all guarantees of Guarantor other than the guarantee under Section 2 will be deemed to be enforceable and payable after the guaranty under Section 2. To the fullest extent permitted by applicable law, this Section shall be for the benefit solely of creditors and representatives of creditors of Guarantor and not for the benefit of Guarantor or the holders of any equity interest in Guarantor.

(b) Guarantor agrees that obligations may at any time and from time to time be incurred or permitted in an amount exceeding the maximum liability of Guarantor under Section 2 without impairing the guarantee contained in Section 2 or affecting Landlord's rights and remedies hereunder.]]

21. **Financials.** To induce Landlord to enter into the Lease, Guarantor (to the extent applicable) shall provide to Landlord all information as required to be provided by Tenant and/or Guarantor pursuant to Section 35.1 of the Lease, subject to all conditions set forth in that Section.

22. **Joint and Several Liability.** Guarantor's liability under this Guaranty shall be joint and several with any and all other Guarantors in accordance with the terms and conditions of the Lease.

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IN WITNESS WHEREOF, Guarantor has caused this Guaranty to be signed by its respective officer thereunto duly authorized, all as of the date first written above.

GUARANTOR

[_____],
a [_____]

By: _____
Name: _____
Title: _____

EXHIBIT E

WORK LETTER

This Work Letter (this "**Work Letter**") is made and entered into as of the 20th day of December, 2018, by and between IIP-IL 1 LLC, a Delaware limited liability company ("**Landlord**"), and Ascend Illinois, LLC, an Illinois limited liability company ("**Tenant**"), and is attached to and made a part of that certain Lease dated as of December [_], 2018 (as the same may be amended, amended and restated, supplemented or otherwise modified from time to time, the "**Lease**"), by and between Landlord and Tenant for the Premises located at 420 Revolution Road, Barry, Illinois. All capitalized terms used but not otherwise defined herein shall have the meanings given them in the Lease.

1. General Requirements.

1.1. Authorized Representatives.

(a) Landlord designates, as Landlord's authorized representative ("**Landlord's Authorized Representative**"), (i) Catherine Hastings as the person authorized to initial plans, drawings, approvals and to sign change orders pursuant to this Work Letter and (ii) an officer of Landlord as the person authorized to sign any amendments to this Work Letter or the Lease. Tenant shall not be obligated to respond to or act upon any such item until such item has been initialed or signed (as applicable) by the appropriate Landlord's Authorized Representative. Landlord may change either Landlord's Authorized Representative upon one (1) business day's prior written notice to Tenant.

(b) Tenant designates Ray Thek ("**Tenant's Authorized Representative**") as the person authorized to initial and sign all plans, drawings, change orders and approvals pursuant to this Work Letter. Landlord shall not be obligated to respond to or act upon any such item until such item has been initialed or signed (as applicable) by Tenant's Authorized Representative. Tenant may change Tenant's Authorized Representative upon one (1) business day's prior written notice to Landlord.

1.2. Schedule. The schedule for design and development of the Tenant Improvements, including the time periods for preparation and review of construction documents, approvals and performance, shall be in accordance with a schedule to be prepared by Tenant (the "**Schedule**"). Tenant shall prepare the Schedule so that it is a reasonable schedule for the completion of the Tenant Improvements. The Schedule shall clearly identify all activities requiring Landlord participation. As soon as the Schedule is completed, Tenant shall deliver the same to Landlord for Landlord's approval, which approval shall not be unreasonably withheld, conditioned or delayed. Such Schedule shall be approved or disapproved by Landlord within ten (10) business days after delivery to Landlord. Landlord's failure to respond within such ten (10) business day period shall be deemed approval by Landlord. If Landlord disapproves the Schedule, then Landlord shall notify Tenant in writing of its objections to such Schedule, and the parties shall confer and negotiate in good faith to reach agreement on the Schedule. The Schedule shall be subject to adjustment as mutually agreed upon in writing by the parties, or as provided in this Work Letter.

1.3. Tenant's Architects, Contractors and Consultants. The architect, engineering consultants, design team, general contractor and subcontractors responsible for the construction of the Tenant Improvements shall be selected by Tenant and approved by Landlord, which approval Landlord shall not unreasonably withhold, condition or delay. All Tenant contracts related to the Tenant Improvements shall provide that Tenant may assign such contracts and any warranties with respect to the Tenant Improvements to Landlord at any time.

2. Tenant Improvements. All Tenant Improvements shall be performed by Tenant's contractor, at Tenant's sole cost and expense (subject to Landlord's obligations with respect to any portion of the TI Allowance) and in accordance with the Approved Plans (as defined below), the Lease and this Work Letter. All material and equipment furnished by Tenant or its contractors as the Tenant Improvements shall be new or "like new;" the Tenant

Improvements shall be performed in a first-class, workmanlike manner. Tenant shall take, and shall require its contractors to take, commercially reasonable steps to protect the Premises during the performance of any Tenant Improvements, including covering or temporarily removing any window coverings so as to guard against dust, debris or damage.

2.1. Work Plans. Tenant shall prepare and submit to Landlord for approval schematics covering the Tenant Improvements prepared in conformity with the applicable provisions of this Work Letter (the "**Draft Schematic Plans**"). The Draft Schematic Plans shall contain sufficient information and detail to accurately describe the proposed design to Landlord and such other information as Landlord may reasonably request. Landlord shall notify Tenant in writing within ten (10) business days after receipt of the Draft Schematic Plans whether Landlord approves or objects to the Draft Schematic Plans and of the manner, if any, in which the Draft Schematic Plans are unacceptable. Landlord's failure to respond within such ten (10) business day period shall be deemed approval by Landlord. If Landlord reasonably objects to the Draft Schematic Plans, then Tenant shall revise the Draft Schematic Plans and cause Landlord's objections to be remedied in the revised Draft Schematic Plans. Tenant shall then resubmit the revised Draft Schematic Plans to Landlord for approval, such approval not to be unreasonably withheld, conditioned or delayed. Landlord's approval of or objection to revised Draft Schematic Plans and Tenant's correction of the same shall be in accordance with this Section until Landlord has approved the Draft Schematic Plans in writing or been deemed to have approved them. The iteration of the Draft Schematic Plans that is approved or deemed approved by Landlord without objection shall be referred to herein as the "**Approved Schematic Plans**."

2.2. Construction Plans. Tenant shall prepare final plans and specifications for the Tenant Improvements that (a) are consistent with and are logical evolutions of the Approved Schematic Plans and (b) incorporate any other Tenant-requested (and Landlord-approved) Changes (as defined below). As soon as such final plans and specifications ("**Construction Plans**") are completed, Tenant shall deliver the same to Landlord for Landlord's approval, which approval shall not be unreasonably withheld, conditioned or delayed. All such Construction Plans shall be submitted by Tenant to Landlord in electronic .pdf, CADD and full-size hard copy formats, and shall be approved or disapproved by Landlord within ten (10) business days after delivery to Landlord. Landlord's failure to respond within such ten (10) business day period shall be deemed approval by Landlord. If the Construction Plans are disapproved by Landlord, then Landlord shall notify Tenant in writing of its objections to such Construction Plans, and the parties shall confer and negotiate in good faith to reach agreement on the Construction Plans. Promptly after the Construction Plans are approved by Landlord and Tenant, two (2) copies of such Construction Plans shall be initialed and dated by Landlord and Tenant, and Tenant shall promptly submit such Construction Plans to all appropriate Governmental Authorities for approval. The Construction Plans so approved, and all change orders approved (to the extent required) by Landlord, are referred to herein as the "**Approved Plans**."

2.3. Changes to the Tenant Improvements. Any material changes to the Approved Plans (each, a "**Change**") requested by Tenant shall be subject to the prior written approval of Landlord, not to be unreasonably withheld, conditioned or delayed. Any such Change request shall detail the nature and extent of any requested Changes, including any modification of the Approved Plans and the Schedule, as applicable, necessitated by the Change. In the event that Landlord fails to respond to any such Change request within five (5) business days of receipt, such Change shall be deemed approved.

3. Completion of Tenant Improvements. Tenant, at its sole cost and expense (except for the TI Allowance), shall perform and complete the Tenant Improvements in all respects (a) in substantial conformance with the Approved Plans, (b) otherwise in compliance with provisions of the Lease and this Work Letter and (c) in accordance with Applicable Laws, the requirements of Tenant's insurance carriers, the requirements of Landlord's insurance carriers (to the extent Landlord provides its insurance carriers' requirements to Tenant) and the board of fire underwriters having jurisdiction over the Premises. The Tenant Improvements shall be deemed completed at such time as Tenant shall furnish to Landlord (t) evidence satisfactory to Landlord that (i) all Tenant Improvements have been completed and paid for in full (which shall be evidenced by the architect's certificate of completion and the general contractor's and each subcontractor's and material supplier's final unconditional waivers and releases of liens, each in a form acceptable to Landlord and complying with Applicable Laws, and a Certificate of Substantial Completion in the form of the American Institute of Architects document G704, executed by the project architect and the general contractor, together with a statutory notice of substantial completion from the general contractor),

(ii) all Tenant Improvements have been accepted by Landlord, (iii) any and all liens related to the Tenant Improvements have either been discharged of record (by payment, bond, order of a court of competent jurisdiction or otherwise) or waived by the party filing such lien and (iv) no security interests relating to the Tenant Improvements are outstanding, (u) all certifications and approvals with respect to the Tenant Improvements that may be required from any Governmental Authority and any board of fire underwriters or similar body for the use and occupancy of the Premises (including a certificate of occupancy for the Premises for the Permitted Use), (v) certificates of insurance required by the Lease to be purchased and maintained by Tenant, (w) an affidavit from Tenant's architect certifying that all work performed in, on or about the Premises is in accordance with the Approved Plans, (x) complete "as built" drawing print sets, project specifications and shop drawings and electronic CADD files on disc (showing the Tenant Improvements as an overlay on the Building "as built" plans for work performed by their architect and engineers in relation to the Tenant Improvements, (y) a commissioning report prepared by a licensed, qualified commissioning agent hired by Tenant and approved by Landlord for all new or affected mechanical, electrical and plumbing systems (which report Landlord may hire a licensed, qualified commissioning agent to peer review, and whose reasonable recommendations Tenant's commissioning agent shall perform and incorporate into a revised report) and (z) such other "close out" materials as Landlord reasonably requests, such as copies of manufacturers' warranties, operation and maintenance manuals and the like.

4. Insurance.

4.1. Property Insurance. At all times during the period beginning with commencement of construction of the Tenant Improvements and ending with final completion of the Tenant Improvements, Tenant shall maintain, or cause to be maintained (in addition to the insurance required of Tenant pursuant to the Lease), property insurance insuring Landlord and the Landlord Parties, as their interests may appear. Such policy shall, on a completed values basis for the full insurable value at all times, insure against loss or damage by fire, vandalism and malicious mischief and other such risks as are customarily covered by the so-called "broad form extended coverage endorsement" upon all Tenant Improvements and the general contractor's and any subcontractors' machinery, tools and equipment, all while each forms a part of, or is contained in, the Tenant Improvements or any temporary structures on the Premises, or is adjacent thereto; provided that, for the avoidance of doubt, insurance coverage with respect to the general contractor's and any subcontractors' machinery, tools and equipment shall be carried on a primary basis by such general contractor or the applicable subcontractor(s). Tenant agrees to pay any deductible, and Landlord is not responsible for any deductible, for a claim under such insurance. Such property insurance shall contain an express waiver of any right of subrogation by the insurer against Landlord and the Landlord Parties, and shall name Landlord and its affiliates as loss payees as their interests may appear.

4.2. Workers' Compensation Insurance. At all times during the period of construction of the Tenant Improvements, Tenant shall, or shall cause its contractors or subcontractors to, maintain statutory workers' compensation insurance as required by Applicable Laws.

5. Liability. Tenant assumes sole responsibility and liability for any and all injuries or the death of any persons, including Tenant's contractors and subcontractors and their respective employees, agents and invitees, and for any and all damages to property caused by, resulting from or arising out of any act or omission on the part of Tenant, Tenant's contractors or subcontractors, or their respective employees, agents and invitees in the prosecution of the Tenant Improvements. Tenant agrees to indemnify, save, defend (at Landlord's option and with counsel reasonably acceptable to Landlord) and hold the Landlord Indemnitees harmless from and against all Claims due to, because of or arising out of any and all such injuries, death or damage, whether real or alleged, and Tenant and Tenant's contractors and subcontractors shall assume and defend at their sole cost and expense all such Claims; provided, however, that nothing contained in this Work Letter shall be deemed to indemnify or otherwise hold Landlord harmless from or against liability caused by Landlord's gross negligence or willful misconduct. Any deficiency in design or construction of the Tenant Improvements shall be solely the responsibility of Tenant, notwithstanding the fact that Landlord may have approved of the same in writing.

6. TI Allowance.

6.1. Application of TI Allowance. Subject to the provisions of Section 5 of the Lease, Landlord shall contribute the TI Allowance toward the costs and expenses incurred in connection with the performance of the Tenant Improvements, in accordance with Section 5 of the Lease. If the entire TI Allowance is not applied toward or reserved for the costs of the Tenant Improvements, then Tenant shall not be entitled to a credit of such unused portion of the TI Allowance. Tenant may apply the TI Allowance for the payment of construction and other costs in accordance with the terms and provisions of the Lease.

6.2. Approval of Budget for the Tenant Improvements. Notwithstanding anything to the contrary set forth elsewhere in this Work Letter or the Lease, Landlord shall not have any obligation to expend any portion of the TI Allowance until Landlord and Tenant shall have approved in writing the budget for the Tenant Improvements (the "**Approved Budget**"). Prior to Landlord's approval of the Approved Budget, Tenant shall pay all of the costs and expenses incurred in connection with the Tenant Improvements as they become due. Landlord shall not be obligated to reimburse Tenant for costs or expenses relating to the Tenant Improvements that exceed the amount of the TI Allowance. Landlord shall not unreasonably withhold, condition or delay its approval of any budget for Tenant Improvements that is proposed by Tenant.

6.3. Fund Requests. Subject to Section 5 of the Lease, Upon submission by Tenant to Landlord of (a) a statement (a "**Fund Request**") setting forth the total amount of the TI Allowance requested, (b) a summary of the Tenant Improvements performed using AIA standard form Application for Payment (G 702) executed by the general contractor and by the architect, (c) invoices from the general contractor, the architect, and any subcontractors, material suppliers and other parties in the amount of the TI Allowance requested by Tenant for reimbursement, (d) unconditional lien releases from the general contractor and each subcontractor and material supplier with respect to all payments made by Tenant for the Tenant Improvements in a form acceptable to Landlord and complying with Applicable Laws; and (e) the items required to be delivered by Tenant pursuant to Section 5 of the Lease, then Landlord shall, within fifteen (15) days following receipt by Landlord of the Fund Request and all accompanying materials required by this Section, pay to Tenant the amount of the TI Allowance requested.

7. Miscellaneous.

7.1. Incorporation of Lease Provisions. Sections 35.2 through 35.18 of the Lease are incorporated into this Work Letter by reference, and shall apply to this Work Letter in the same way that they apply to the Lease.

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IN WITNESS WHEREOF, Landlord and Tenant have executed this Work Letter to be effective on the date first above written.

LANDLORD:

IIP-IL 1 LLC,
a Delaware limited liability company

By: _____
Name: Catherine Hastings
Title: Chief Financial Officer, Chief Accounting Officer and Treasurer

TENANT:

ASCEND ILLINOIS, LLC,
a Illinois limited liability company

By: _____
Name: _____
Title: _____

EXHIBIT E-1

TENANT WORK INSURANCE SCHEDULE

Tenant shall be responsible for requiring all of Tenant contractors doing construction or renovation work to purchase and maintain such insurance as shall protect it from the claims set forth below which may arise out of or result from any Tenant Work whether such Tenant Work is completed by Tenant or by any Tenant contractors or by any person directly or indirectly employed by Tenant or any Tenant contractors, or by any person for whose acts Tenant or any Tenant contractors may be liable:

1. Claims under workers' compensation, disability benefit and other similar employee benefit acts which are applicable to the Tenant Work to be performed.
2. Claims for damages because of bodily injury, occupational sickness or disease, or death of employees under any applicable employer's liability law.
3. Claims for damages because of bodily injury, or death of any person other than Tenant's or any Tenant contractors' employees.
4. Claims for damages insured by usual personal injury liability coverage which are sustained (a) by any person as a result of an offense directly or indirectly related to the employment of such person by Tenant or any Tenant contractors or (b) by any other person.
5. Claims for damages, other than to the Tenant Work itself, because of injury to or destruction of tangible property, including loss of use therefrom.
6. Claims for damages because of bodily injury or death of any person or property damage arising out of the ownership, maintenance or use of any motor vehicle.

Tenant contractors' Commercial General Liability Insurance shall include premises/operations (including explosion, collapse and underground coverage if such Tenant Work involves any underground work), elevators, independent contractors, products and completed operations, and blanket contractual liability on all written contracts, all including broad form property damage coverage.

Tenant contractors' Commercial General, Automobile, Employers and Umbrella Liability Insurance shall be written for not less than limits of liability as follows:

a. Commercial General Liability: Bodily Injury and Property Damage	Commercially reasonable amounts, but in any event no less than [***] per occurrence and [***] general aggregate, with [***] products and completed operations aggregate.
b. Commercial Automobile Liability: Bodily Injury and Property Damage	[***] per accident
c. Employer's Liability:	
Each Accident	[***]
Disease – Policy Limit	[***]
Disease – Each Employee	[***]
d. Umbrella Liability: Bodily Injury and Property Damage	Commercially reasonable amounts (excess of coverages a, b and c above), but in any event no less than [***] per occurrence / aggregate.

All subcontractors for Tenant contractors shall carry the same coverages and limits as specified above, unless different limits are reasonably approved by Landlord. The foregoing policies shall contain a provision that coverages afforded under the policies shall not be canceled or not renewed until at least thirty (30) days' prior written notice has been given to the Landlord. Certificates of insurance including required endorsements showing such coverages to be in force shall be filed with Landlord prior to the commencement of any Tenant Work and prior to each renewal. Coverage for completed operations must be maintained for the lesser of ten (10) years and the applicable statue of repose following completion of the Tenant Work, and certificates evidencing this coverage must

be provided to Landlord. The minimum A.M. Best's rating of each insurer shall be A- VII. Landlord and its mortgagees shall be named as an additional insureds under Tenant contractors' Commercial General Liability, Commercial Automobile Liability and Umbrella Liability Insurance policies as respects liability arising from work or operations performed, or ownership, maintenance or use of autos, by or on behalf of such contractors. Each contractor and its insurers shall provide waivers of subrogation with respect to any claims covered or that should have been covered by valid and collectible insurance, including any deductibles or self-insurance maintained thereunder.

If any contractor's work involves the handling or removal of asbestos (as determined by Landlord in its sole and absolute discretion), such contractor shall also carry Pollution Legal Liability insurance. Such coverage shall include bodily injury, sickness, disease, death or mental anguish or shock sustained by any person; property damage, including physical injury to or destruction of tangible property (including the resulting loss of use thereof), clean-up costs and the loss of use of tangible property that has not been physically injured or destroyed; and defense costs, charges and expenses incurred in the investigation, adjustment or defense of claims for such damages. Coverage shall apply to both sudden and non-sudden pollution conditions including the discharge, dispersal, release or escape of smoke, vapors, soot, fumes, acids, alkalis, toxic chemicals, liquids or gases, waste materials or other irritants, contaminants or pollutants into or upon land, the atmosphere or any watercourse or body of water. Claims-made coverage is permitted, provided the policy retroactive date is continuously maintained prior to the Commencement Date, and coverage is continuously maintained during all periods in which Tenant occupies the Premises. Coverage shall be maintained with limits of not less than [***] per incident with a [***] policy aggregate.

CONFIDENTIAL TREATMENT REQUESTED - REDACTED COPY

FIRST AMENDMENT TO LEASE AGREEMENT

THIS FIRST AMENDMENT TO LEASE AGREEMENT (this "Amendment") is entered into as of this 5th day of September, 2019, by and between IIP-IL 1 LLC, a Delaware limited liability company ("Landlord"), and Revolution Cannabis – Barry, LLC, an Illinois limited liability company (as successor-in-interest to Ascend Illinois, LLC, "Tenant").

RECITALS

A. WHEREAS, Landlord and Tenant are parties to that certain Lease Agreement dated as of December 21, 2018, as assigned (as so assigned, the "Existing Lease"), whereby Tenant leases the premises from Landlord located at 420 Revolution Road in Barry, Illinois; and

B. WHEREAS, Landlord and Tenant desire to modify and amend the Existing Lease only in the respects and on the conditions hereinafter stated.

AGREEMENT

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

1. Definitions. For purposes of this Amendment, capitalized terms shall have the meanings ascribed to them in the Existing Lease unless otherwise defined herein. The Existing Lease, as amended by this Amendment, is referred to collectively herein as the "Lease." From and after the date hereof, the term "Lease," as used in the Existing Lease, shall mean the Existing Lease, as amended by this Amendment.

2. Term. Section 3.1 of the Existing Lease is hereby amended and restated in its entirety as follows:

"3.1. Term. The actual term of this Lease (as the same may be extended or earlier terminated in accordance with this Lease, the "**Term**") commenced on December 21, 2018 (the "**Commencement Date**") and shall end on December 21, 2036, subject to extension or earlier termination of this Lease as provided herein."

3. TI Allowance. The first sentence of Section 5.1 of the Existing Lease is hereby amended and restated in its entirety as follows:

"Tenant shall cause appropriate improvements consistent with the Permitted Use (the "**Tenant Improvements**") to be constructed in the Premises pursuant to the Work Letter attached hereto as Exhibit E (the "**Work Letter**") at a cost to Landlord not to exceed Fourteen Million Dollars ($14,000,000.00) (the "**TI Allowance**")."

Certain identified information has been omitted from this exhibit because it is not material and would likely cause competitive harm to the registrant if publicly disclosed. [***] indicates that information has been omitted.

In addition, Section 5.2 of the Existing Lease is hereby amended and restated in its entirety as follows:

"5.2. Tenant shall have until December 21, 2034 to request disbursement for the final installment of the TI Allowance, and may request no more than ten (10) disbursements of the TI Allowance, with each disbursement (other than the final disbursement) being no less than [***] Dollars ($[***]). Landlord's obligation to disburse any of the TI Allowance shall be conditional upon Tenant's satisfaction of the conditions precedent to funding of the TI Allowance set forth in Section 6.3 of the Work Letter. In addition, Landlord's obligation to disburse any of the TI Allowance in excess of [***] Dollars ($[***]) shall be conditional upon the satisfaction of the following: (a) Tenant's delivery to Landlord of a certificate of occupancy for the Premises suitable for the Permitted Use, as applicable; (b) Tenant's delivery to Landlord of a Certificate of Substantial Completion in the form of the American Institute of Architects document G704, executed by the project architect and the general contractor or such other form or certification as may be reasonably acceptable to Landlord; (c) Tenant's satisfaction of the conditions precedent to funding of the TI Allowance set forth in Section 6.3 of the Work Letter; and (d) there shall be no uncured event of default by Tenant under this Lease."

4. Effective as of the date hereof, the monthly Base Rent shall equal Three Hundred Seventy-One Thousand Two Hundred Fifty Dollars ($371,250), and be subject to the Base Rent adjustments on each anniversary of the Commencement Date, as set forth in the Existing Lease.

5. Broker. Each of Tenant and Landlord represents and warrants that it has not dealt with any broker or agent in the negotiation for or the obtaining of this Amendment and agrees to reimburse, indemnify, save, defend (at the other party's option and with counsel reasonably acceptable to the other party, at the indemnifying party's sole cost and expense) and hold harmless the other party for, from and against any and all cost or liability for compensation claimed by any such broker or agent employed or engaged by it or claiming to have been employed or engaged by it.

6. No Default. Each of Tenant and Landlord represents, warrants and covenants that, to the best of such party's knowledge, Landlord and Tenant are not in default of any of their respective obligations under the Existing Lease and no event has occurred that, with the passage of time or the giving of notice (or both) would constitute a default by either Landlord or Tenant thereunder.

7. Effect of Amendment. Except as modified by this Amendment, the Existing Lease and all the covenants, agreements, terms, provisions and conditions thereof shall remain in full force and effect and are hereby ratified and affirmed. In the event of any conflict between the terms contained in this Amendment and the Existing Lease, the terms herein contained shall supersede and control the obligations and liabilities of the parties.

8. Successors and Assigns. Each of the covenants, conditions and agreements contained in this Amendment shall inure to the benefit of and shall apply to and be binding upon the parties hereto and their respective heirs, legatees, devisees, executors, administrators and

permitted successors and assigns and sublessees. Nothing in this section shall in any way alter the provisions of the Lease restricting assignment or subletting.

9. Miscellaneous. This Amendment becomes effective only upon execution and delivery hereof by Landlord and Tenant. The captions of the paragraphs and subparagraphs in this Amendment are inserted and included solely for convenience and shall not be considered or given any effect in construing the provisions hereof. All exhibits hereto are incorporated herein by reference. Submission of this instrument for examination or signature by Tenant does not constitute a reservation of or option for a lease, and shall not be effective as a lease, lease amendment or otherwise until execution by and delivery to both Landlord and Tenant.

10. Authority. Each of Tenant and Landlord guarantees, warrants and represents that the individual or individuals signing this Amendment have the power, authority and legal capacity to sign this Amendment on behalf of and to bind all entities, corporations, partnerships, limited liability companies, joint venturers or other organizations and entities on whose behalf such individual or individuals have signed.

11. Counterparts; Facsimile and PDF Signatures. This Amendment may be executed in one or more counterparts, each of which, when taken together, shall constitute one and the same document. A facsimile or portable document format (PDF) signature on this Amendment shall be equivalent to, and have the same force and effect as, an original signature.

[REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, Landlord and Tenant have executed this Amendment as of the date and year first above written.

LANDLORD:

IIP-IL 1 LLC,
a Delaware limited liability company

By:	/s/ Catherine Hastings
Name:	Catherine Hastings
Title:	CFO, CAO & Treasurer

TENANT:

REVOLUTION CANNABIS – BARRY, LLC,
an Illinois limited liability company

By:	/s/ Abner Kurtin
Name:	Abner Kurtin
Title:	Manager

CONFIDENTIAL TREATMENT REQUESTED - REDACTED COPY

SECOND AMENDMENT TO LEASE AGREEMENT

THIS SECOND AMENDMENT TO LEASE AGREEMENT (this "Amendment") is entered into as of this 18th day of August, 2020 (the "Amendment Effective Date"), by and between IIP-IL 1 LLC, a Delaware limited liability company ("Landlord"), and Revolution Cannabis – Barry, LLC, an Illinois limited liability company (as successor-in-interest to Ascend Illinois, LLC, "Tenant").

RECITALS

A. WHEREAS, Landlord and Tenant are parties to that certain Lease Agreement dated as of December 21, 2018, as assigned by Ascend Illinois, LLC to Tenant pursuant to an Assignment and Assumption of Lease Agreement dated January 11, 2019 and as amended pursuant to a First Amendment to Lease Agreement dated September 5, 2019 (as assigned and amended, the "Existing Lease"), whereby Tenant leases the premises from Landlord located at 420 Revolution Road in Barry, Illinois; and

B. WHEREAS, Landlord and Tenant desire to modify and amend the Existing Lease only in the respects and on the conditions hereinafter stated.

AGREEMENT

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

1. Definitions. For purposes of this Amendment, capitalized terms shall have the meanings ascribed to them in the Existing Lease unless otherwise defined herein. The Existing Lease, as amended by this Amendment, is referred to collectively herein as the "Lease." From and after the date hereof, the term "Lease," as used in the Existing Lease, shall mean the Existing Lease, as amended by this Amendment.

2. TI Allowance. Subject to the terms and conditions set forth in the Lease, Landlord has agreed to increase the TI Allowance available to Tenant by Eighteen Million Dollars ($18,000,000.00) (the "Additional TI Allowance") for the construction of a new greenhouse and additional improvements to the existing Building. Accordingly, the first sentence of Section 5.1 of the Existing Lease is hereby amended and restated in its entirety as follows:

> "Tenant shall cause appropriate improvements consistent with the Permitted Use (the "**Tenant Improvements**") to be constructed in the Premises pursuant to the Work Letter attached hereto as Exhibit E (the "**Work Letter**") at a cost to Landlord not to exceed Thirty-Two Million Dollars ($32,000,000.00) (the "**TI Allowance**")."

In addition, the second sentence of Section 5.2 of the Existing Lease is hereby amended and restated in its entirety as follows:

> "5.2. Landlord's obligation to disburse any of the TI Allowance shall be conditional upon Tenant's satisfaction of the conditions precedent to funding of the TI Allowance set forth in Section 6.3 of the Work Letter. In addition, Landlord's obligation to disburse any of the TI Allowance in excess of [***] Dollars ($[***]) shall be conditional upon the satisfaction of the following: (a) Tenant's delivery to Landlord of a certificate of occupancy for the Premises suitable for the Permitted Use, as applicable; (b) Tenant's delivery to Landlord of a Certificate of Substantial Completion in the form of the American Institute of Architects document G704, executed by the project architect and the general contractor or such other form or certification as may be reasonably acceptable to Landlord; (c) Tenant's satisfaction of the conditions precedent to funding of the TI Allowance set forth in Section 6.3 of the Work Letter; and (d) there shall be no uncured event of default by Tenant under this Lease."

Certain identified information has been omitted from this exhibit because it is not material and would likely cause competitive harm to the registrant if publicly disclosed. [***] indicates that information has been omitted.

3. Monthly Base Rent. Notwithstanding anything in the Existing Lease to the contrary, in consideration of the Additional TI Allowance, commencing on the Amendment Effective Date, the monthly Base Rent shall increase by Thirty-Three Thousand Seven Hundred Fifty Dollars ($33,750.00) each month for the six (6) month period following the Amendment Effective Date (the "Base Rent Adjustment Period") for an aggregate increase to Base Rent in the amount of Two Hundred Two Thousand Five Hundred Dollars ($202,500.00) (the "Additional Base Rent"), subject to the adjustments to Base Rent set forth in the Lease, including the Base Rent adjustments set forth in Section 6.5 of the Existing Lease on each anniversary of the Commencement Date. For illustrative purposes, the chart below sets forth the incremental increases to Base Rent to account for the Additional Base Rent to be phased in during the Base Rent Adjustment Period, as adjusted pursuant to Section 6.5 of the Existing Lease.

Base Rent Adjustment Period:	Amount of Additional Base Rent:
8/18/20 - 9/17/20	$33,750.00
9/18/20 – 10/17/20	$67,500.00
10/18/20 – 11/17/20	$101,250.00
11/18/20 – 12/17/20	$135,000.00
12/18/20 – 1/17/21	$173,322.58
1/18/21 – 2/17/21	$208,575.00

4. Security Deposit. The Security Deposit under the Lease shall be increased to One Million Seven Hundred Fifty-Four Thousand Six Hundred Sixty-Two and 50/100 Dollars ($1,754,662.50). Accordingly, within two (2) business days after the Amendment Effective Date, Tenant shall deposit with Landlord the cash difference between the amount of the Security Deposit currently held by Landlord and the amount of the Security Deposit required per this Amendment, which upon receipt shall be held as part of the Security Deposit pursuant to Section 6.4 of the Existing Lease. Accordingly, Section 2.2 of the Existing Lease is hereby amended and restated in its entirety as follows:

> "2.2. Security Deposit: One Million Seven Hundred Fifty-Four Thousand Six Hundred Sixty-Two and 50/100 Dollars ($1,754,662.50)"

Furthermore, Section 6.4 of the Existing Lease is hereby amended and restated in its entirety as follows:

> "6.4. Security Deposit. On or before the Execution Date of this Lease, Tenant shall deposit the sum in cash set forth in Section 2.2 (the "**Security Deposit**"), which sum shall be held by Landlord as security for the faithful performance by Tenant of all of the terms, covenants and conditions of this Lease to be kept and performed by Tenant during the Term. Landlord shall not be required to maintain a separate account for the Security Deposit, but may intermingle it with other funds of Landlord. If Tenant defaults with respect to any provision of this Lease, then without notice to Tenant, Landlord may (but shall not be required to) apply all or any part of the Security Deposit for the payment of any Rent or any other sum in default. If any portion of the Security Deposit is so used or applied, then Tenant shall, upon demand therefor, restore the Security Deposit to its original amount. If Tenant shall fully and faithfully perform every provision of this Lease to be performed by it, then the unapplied portion of the Security Deposit shall be returned to Tenant, or, at Landlord's option, to the last assignee of Tenant's interest hereunder, within sixty (60) days following the expiration of the Term. Tenant shall not be entitled to any interest on the Security Deposit. Tenant hereby irrevocably waives and relinquishes any and all rights, benefits, or protections, if any, Tenant now has, or in the future may have under any provision of law which (i) establishes the time frame by

which a landlord must refund a security deposit under a lease, or (ii) provides that a landlord may claim from a security deposit only those sums reasonably necessary to remedy defaults in the payment of rent, to repair damage caused by a tenant, or to clean the subject premises. Tenant acknowledges and agrees that (A) any statutory time frames for the return of a security deposit are superseded by the express period identified in this Section 6.4, and (B) rather than be so limited, Landlord may claim from the Security Deposit (i) any and all sums expressly identified in this Section 6.4, and (ii) any additional sums reasonably necessary to compensate Landlord for any and all losses or damages caused by Tenant's default of this Lease, including, but not limited to, all damages or rent due upon termination of this Lease. In the event of bankruptcy or other debtor-creditor proceedings against Tenant, the Security Deposit shall be deemed to be applied first to the payment of Rent and other charges due Landlord for all periods prior to the filing of such proceedings."

5. Permitted Transfer. The first sentence of Section 16.8 of the Existing Lease is hereby amended and restated in its entirety as follows:

"Tenant may assign its entire interest under this Lease or sublease all or a portion of the Premises without the consent of Landlord to: (i) an affiliate, subsidiary or parent of Tenant; (ii) any entity into which that Tenant or an affiliated party may merge or consolidate; (iii) any entity that acquires all or substantially all of the assets of Tenant; each a "**Permitted Transfer**" and such transferee a "**Permitted Transferee**", provided that (a) Tenant notifies Landlord at least twenty (20) days prior to the effective date of any such Permitted Transfer, (b) Tenant is not in default and such assignment or sublease is not a subterfuge by Tenant to avoid its obligations under this Lease, (c) such Permitted Transferee shall have a tangible net worth (not including goodwill as an asset) computed in accordance with generally accepted accounting principles ("**Net Worth**") at least equal to the Net Worth of the original Tenant on the day immediately preceding the effective date of such assignment or sublease and reasonably sufficient to comply with the obligations under this Lease, (d) no assignment or sublease relating to this Lease, whether with or without Landlord's consent, shall relieve Tenant from any liability under this Lease, (e) the liability of such Permitted Transferee under either an assignment or sublease shall be joint and several with Tenant and each Guarantor; and (f) the ultimate parent company of any Permitted Transferee executes a Guaranty in favor of Landlord substantially in the form attached hereto as Exhibit D."

6. Tenant Work Insurance Schedule. Exhibit E-1 of the Existing Lease is hereby deleted in its entirety and replaced with Exhibit E-1 attached to this Amendment.

7. Broker. Each of Tenant and Landlord represents and warrants that it has not dealt with any broker or agent in the negotiation for or the obtaining of this Amendment and agrees to reimburse, indemnify, save, defend (at the other party's option and with counsel reasonably acceptable to the other party, at the indemnifying party's sole cost and expense) and hold harmless the other party for, from and against any and all cost or liability for compensation claimed by any such broker or agent employed or engaged by it or claiming to have been employed or engaged by it.

8. No Default. Each of Tenant and Landlord represents, warrants and covenants that, to the best of such party's knowledge, Landlord and Tenant are not in default of any of their respective obligations under the Existing Lease and no event has occurred that, with the passage of time or the giving of notice (or both) would constitute a default by either Landlord or Tenant thereunder.

9. Effect of Amendment. Except as modified by this Amendment, the Existing Lease and all the covenants, agreements, terms, provisions and conditions thereof shall remain in full force and effect and are hereby ratified and affirmed. In the event of any conflict between the terms contained in this Amendment and the Existing Lease, the terms herein contained shall supersede and control the obligations and liabilities of the parties.

10. Successors and Assigns. Each of the covenants, conditions and agreements contained in this Amendment shall inure to the benefit of and shall apply to and be binding upon the parties hereto and their respective heirs, legatees, devisees, executors, administrators and permitted successors and assigns and sublessees. Nothing in this section shall in any way alter the provisions of the Lease restricting assignment or subletting.

11. Miscellaneous. This Amendment becomes effective only upon execution and delivery hereof by Landlord and Tenant. The captions of the paragraphs and subparagraphs in this Amendment are inserted and included solely for convenience and shall not be considered or given any effect in construing the provisions hereof. All exhibits hereto are incorporated herein by reference. Submission of this instrument for examination or signature by Tenant does not constitute a reservation of or option for a lease, and shall not be effective as a lease, lease amendment or otherwise until execution by and delivery to both Landlord and Tenant.

12. Authority. Each of Tenant and Landlord guarantees, warrants and represents that the individual or individuals signing this Amendment have the power, authority and legal capacity to sign this Amendment on behalf of and to bind all entities, corporations, partnerships, limited liability companies, joint venturers or other organizations and entities on whose behalf such individual or individuals have signed.

13. Counterparts; Facsimile and PDF Signatures. This Amendment may be executed in one or more counterparts, each of which, when taken together, shall constitute one and the same document. A facsimile or portable document format (PDF) signature on this Amendment shall be equivalent to, and have the same force and effect as, an original signature.

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IN WITNESS WHEREOF, Landlord and Tenant have executed this Amendment as of the date and year first above written.

LANDLORD:

IIP-IL 1 LLC,
a Delaware limited liability company

By: /s/ Brian Wolfe
Name: Brian Wolfe
Title: Vice President, General Counsel and Secretary

TENANT:

REVOLUTION CANNABIS – BARRY, LLC,
an Illinois limited liability company

By: /s/ Abner Kurtin
Name: Abner Kurtin
Title: Manager

EXHIBIT E-1

TENANT WORK INSURANCE SCHEDULE

Tenant shall be responsible for requiring all of Tenant contractors doing construction or renovation work to purchase and maintain such insurance as shall protect it from the claims set forth below which may arise out of or result from any Tenant Work whether such Tenant Work is completed by Tenant or by any Tenant contractors or by any person directly or indirectly employed by Tenant or any Tenant contractors, or by any person for whose acts Tenant or any Tenant contractors may be liable:

1. Claims under workers' compensation, disability benefit and other similar employee benefit acts which are applicable to the Tenant Work to be performed.

2. Claims for damages because of bodily injury, occupational sickness or disease, or death of employees under any applicable employer's liability law.

3. Claims for damages because of bodily injury, or death of any person other than Tenant's or any Tenant contractors' employees.

4. Claims for damages insured by usual personal injury liability coverage which are sustained (a) by any person as a result of an offense directly or indirectly related to the employment of such person by Tenant or any Tenant contractors or (b) by any other person.

5. Claims for damages, other than to the Tenant Work itself, because of injury to or destruction of tangible property, including loss of use therefrom.

6. Claims for damages because of bodily injury or death of any person or property damage arising out of the ownership, maintenance or use of any motor vehicle.

Tenant contractors' Commercial General Liability Insurance shall include premises/operations (including explosion, collapse and underground coverage if such Tenant Work involves any underground work), elevators, independent contractors, products and completed operations, and blanket contractual liability on all written contracts, all including broad form property damage coverage. The policy form shall be the most current ISO form CG001, or its equivalent.

Tenant contractors' Commercial General, Automobile, Employers and Umbrella Liability Insurance shall be written for not less than limits of liability as follows:

a.	Commercial General Liability: Bodily Injury and Property Damage	Commercially reasonable amounts, but in any event no less than [***] per occurrence and [***] general aggregate, with [***] products and completed operations aggregate.
b.	Commercial Automobile Liability: Bodily Injury and Property Damage	[***] per accident
c.	Employer's Liability: Each Accident Disease – Policy Limit Disease – Each Employee	 [***] [***] [***]
d.	Excess/Umbrella Liability: Bodily Injury and Property Damage	Commercially reasonable amounts (excess of coverages a, b and c above), but in any event no less than [***] per occurrence / aggregate.
e.	Professional Liability	[***] per claim [***] aggregate

All subcontractors for Tenant contractors shall carry the same coverages and limits as specified above, unless different limits are reasonably approved by Landlord. The foregoing policies shall contain a provision that coverages afforded under the policies shall not be canceled or not renewed until at least thirty (30) days' prior written notice has been given to the Landlord. Certificates of insurance including required endorsements showing such coverages to be in force shall be filed with Landlord prior to the commencement of any Tenant Work and prior to each renewal. Coverage for completed operations must be maintained for the lesser of ten (10) years and the applicable statue of repose following completion of the Tenant Work, and certificates evidencing this coverage must be provided to Landlord. The minimum A.M. Best's rating of each insurer shall be A- VII. Landlord and its mortgagees shall be named as an additional insureds under Tenant contractors' Commercial General Liability, Commercial Automobile Liability and Umbrella Liability Insurance policies on a primary and non-contributory basis as respects liability arising from work or operations performed, or ownership, maintenance or use of autos, by or on behalf of such contractors. Each contractor and its insurers shall provide waivers of subrogation with respect to any claims covered or that should have been covered by valid and collectible insurance, including any deductibles or self-insurance maintained thereunder.

If any contractor's work involves the handling or removal of asbestos (as determined by Landlord in its sole and absolute discretion), such contractor shall also carry Contractors Pollution Legal Liability insurance. Such coverage shall include bodily injury, sickness, disease, death or mental anguish or shock sustained by any person; property damage, including physical injury to or destruction of tangible property (including the resulting loss of use thereof), clean-up costs and the loss of use of tangible property that has not been physically injured or destroyed; and defense costs, charges and expenses incurred in the investigation, adjustment or defense of claims for such damages. Coverage shall apply to both sudden and non-sudden pollution conditions including the discharge, dispersal, release or escape of smoke, vapors, soot, fumes, acids, alkalis, toxic chemicals, liquids or gases, waste materials or other irritants, contaminants or pollutants into or upon land, the atmosphere or any watercourse or body of water. Claims-made coverage is permitted, provided the policy retroactive date is continuously maintained prior to the Commencement Date, and coverage is continuously maintained during all periods in which Tenant occupies the Premises. Coverage shall be maintained with limits of not less than [***] per incident with a [***] policy aggregate.

Exhibit 10.14

CONFIDENTIAL TREATMENT REQUESTED - REDACTED COPY

LEASE

DATED

July 2, 2019

by and between

IIP-MI 3 LLC,

a Delaware limited liability company

and

FPAW MICHIGAN LLC,

a Michigan limited liability company

Certain identified information has been omitted from this exhibit because it is not material and would likely cause competitive harm to the registrant if publicly disclosed. [***] indicates that information has been omitted.

LEASE AGREEMENT

This Lease Agreement (this "**Lease**"), dated July 2, 2019 (the "**Execution Date**"), is made between IIP-MI 3 LLC, a Delaware limited liability company ("**Landlord**"), and FPAW MICHIGAN LLC, a Michigan limited liability company ("**Tenant**").

RECITALS

A. WHEREAS, concurrent with the execution of this Lease, Landlord closed on the purchase of certain real property (the "**Property**") and the improvements on the Property located at 735 E. Hazel Street, Lansing, Michigan, including the building located thereon (the "**Building**" and, together with the Property, the "**Project**"), pursuant to that certain Purchase and Sale Agreement and Joint Escrow Instructions, dated May 23, 2019 (the "**Purchase Agreement**"), by and between Landlord and Tenant;

B. WHEREAS, Landlord wishes to lease to Tenant, and Tenant desires to lease from Landlord, the Premises (as defined below), pursuant to the terms and conditions of this Lease, as detailed below; and

C. WHEREAS, each of Ascend Illinois, LLC, Ascend Illinois, Inc., Ascend Wellness Holdings, LLC, MassGrow, Inc., MassGrow, LLC, Ascend Mass, Inc., Ascend Mass, LLC, Ascend Friend Street RE LLC, Ascend Athol RE LLC, Revolution Cannabis – Barry, LLC, Ascend Ohio, LLC, Ascend Michigan, LLC, Springfield Partners II, LLC, Health Central, LLC and Health Central Illinois Holdings, LLC ("**Guarantors**") is an affiliate of Tenant that is deriving a benefit from Landlord and Tenant entering into this Lease, and has agreed to enter into a guaranty in the form attached as Exhibit D hereto (the "**Guaranty**"), without which Landlord would not agree to enter into this Lease.

AGREEMENT

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

1. Lease of Premises. Landlord hereby leases to Tenant, and Tenant hereby leases from Landlord, the premises described on Exhibit A attached hereto, including shafts, cable runs, mechanical spaces, rooftop areas, landscaping, parking facilities, private drives and other improvements and appurtenances related thereto (including the Building), for use by Tenant in accordance with the Permitted Use (as defined below) and no other uses (collectively, the "**Premises**").

2. Basic Lease Provisions. For convenience of the parties, certain basic provisions of this Lease are set forth herein. The provisions set forth herein are subject to the remaining terms and conditions of this Lease and are to be interpreted in light of such remaining terms and conditions.

2.1. The monthly Base Rent for the first twelve (12) months of the Term of the Lease shall be equal to Two Hundred Twenty-Two Thousand One Hundred Eighty-Seven and 50/100 Dollars ($222,187.50), subject to subsequent adjustment under this Lease.

2.2. Security Deposit: The initial Security Deposit shall be One Million One Hundred Ten Thousand Nine Hundred Thirty-Seven and 50/100 Dollars ($1,110,937.50), subject to subsequent adjustment under this Lease.

2.3. "**Permitted Use**": Agricultural growth, processing and dispensing of agricultural materials, including cannabis, industrial and office space, in accordance with current zoning for the Premises and in conformity with all Applicable Laws (as defined below). The Permitted Use shall include the cultivation and processing of cannabis plant parts and resins into products, and the storage of same for transport, and such other related use or uses permitted under Applicable Laws.

2.4. Address for Rent Payment: IIP-MI 3 LLC
[REDACTED]
[REDACTED]
[REDACTED]
ABA [***]
Account [***]

2.5. Address for Notices to Landlord:

IIP-MI 3 LLC
[REDACTED]
[REDACTED]
Attn: General Counsel

2.6. Address for Notices and Invoices to Tenant:

FPAW MICHIGAN LLC
137 Lewis Wharf
Boston, MA 02110
Attn: Abner Kurtin

2.7. The following Exhibits are attached hereto and incorporated herein by reference:

Exhibit A Premises
Exhibit B Tenant's Personal Property
Exhibit C Form of Estoppel Certificate
Exhibit D Form of Guaranty
Exhibit E Work Letter
Exhibit E-1 Tenant Work Insurance Requirements

3. Term and Extension Options.

3.1. Term. The actual term of this Lease (as the same may be extended or earlier terminated in accordance with this Lease, the "**Term**") shall commence on the Execution Date (the "**Commencement Date**") and end on June 30, 2039, subject to extension or earlier termination of this Lease as provided herein.

3.2. Options to Extend Term. Tenant shall have two (2) options (each an "**Extension Option**") to extend the Term of this Lease for a period of five (5) years each (each an "**Extension Period**"), on the same terms and conditions in effect under this Lease immediately prior to the commencement of the Extension Period, except that (a) Tenant shall have no further right to extend the Term of this Lease after the second Extension Period, (b) the Base Rent payable during the Extension Period shall be an amount equal to Base Rent in effect immediately prior to the Extension Period, increased by [***] percent ([***]%) on an annual basis.

3.2.1. If Tenant exercises an Extension Option, such Extension Option shall apply to the entire Premises (and no less than the entire Premises). Tenant may exercise an Extension Option only by giving Landlord irrevocable and unconditional written notice thereof (the "**Extension Notice**") not later than fifteen (15) months prior to the commencement date of the Extension Period. Upon delivery of the Extension Notice, Tenant shall be irrevocably bound to lease the Premises for the Extension Period.

3.2.2. Notwithstanding the foregoing, Tenant shall not have the right to exercise an Extension Option (i) during the time commencing from the date Landlord delivers to Tenant a written notice that Tenant is in default under any provisions of this Lease and continuing until Tenant has cured the specified default to Landlord's reasonable satisfaction; (ii) at any time after any Default (provided, however, that, for purposes of this Section 3.2(ii), Landlord shall not be required to provide Tenant with a notice of such Default) and continuing until Tenant

cures any such Default, if such Default is susceptible to being cured; or (iii) in the event that Tenant has defaulted in the performance of its obligations under this Lease three (3) or more separate times during the six (6)-month period immediately prior to the date that Tenant intends to exercise an Extension Option, whether or not Tenant has cured such defaults.

3.2.3. If Tenant shall fail to timely exercise the Extension Option in accordance with the provisions of this Section 3.2, then the Extension Option shall terminate, and shall be null and void and of no further force and effect. If this Lease or Tenant's right to possession of the Premises shall terminate in any manner whatsoever before Tenant shall exercise the Extension Option, or if Tenant shall have assigned or transferred any interest in this Lease or sublet any part of the Premises (other than in the case of a Permitted Transfer as set forth in Section 16.8 below, then immediately upon such termination, assignment, transfer or sublease, the Extension Option shall simultaneously terminate and become null and void. Time is of the essence with regard to this Section 3.2.

3.2.4. The Extension Options are conditioned upon each Guarantor executing an amendment to such Guarantor's Guaranty that explicitly extends such Guarantor's obligations so that each Guarantor guarantees Tenant's Lease obligations incurred pursuant to Tenant's timely and proper exercise of an Extension Option.

4. Possession.

4.1. Possession. Tenant hereby acknowledges that immediately prior to the Commencement Date, Tenant was in possession of the Premises, and is familiar with the condition thereof and accepts the Premises in its "as is" condition with all faults, and Landlord makes no representation or warranty of any kind with respect the Premises, and Landlord will have no obligation to improve, alter or repair the Premises. It is understood and agreed that Landlord is not obligated to install any equipment, or make any repairs, improvements or alterations to the Premises. Tenant's continued occupancy and possession of the Premises following the Closing (as defined in the Purchase Agreement) shall conclusively establish that the Premises, the Building and the Project were at such time in good, sanitary and satisfactory condition and repair.

4.2. NOTWITHSTANDING ANYTHING TO THE CONTRARY HEREIN, IT IS EXPRESSLY UNDERSTOOD AND AGREED THAT LANDLORD IS LEASING THE PREMISES "AS IS" AND "WHERE IS," AND WITH ALL FAULTS, AND THAT LANDLORD IS MAKING NO REPRESENTATIONS AND WARRANTIES WHETHER EXPRESS OR IMPLIED, BY OPERATION OF LAW OR OTHERWISE, WITH RESPECT TO THE QUALITY OR PHYSICAL CONDITION OF THE PREMISES, THE INCOME OR EXPENSES FROM OR OF THE PREMISES, OR THE COMPLIANCE OF THE PREMISES WITH APPLICABLE BUILDING OR FIRE CODES, ENVIRONMENTAL LAWS OR OTHER LAWS, RULES, ORDERS OR REGULATIONS. WITHOUT LIMITING THE FOREGOING, IT IS UNDERSTOOD AND AGREED THAT LANDLORD MAKES NO WARRANTY WITH RESPECT TO THE HABITABILITY, SUITABILITY, MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE. TENANT AGREES THAT IT ASSUMES FULL RESPONSIBILITY FOR, AND THAT IT HAS PERFORMED EXAMINATIONS AND INVESTIGATIONS OF THE PREMISES, INCLUDING SPECIFICALLY, WITHOUT LIMITATION, EXAMINATIONS AND INVESTIGATIONS FOR THE PRESENCE OF ASBESTOS, PCBS AND OTHER HAZARDOUS SUBSTANCES, MATERIALS AND WASTES (AS THOSE TERMS MAY BE DEFINED HEREIN OR BY APPLICABLE FEDERAL OR STATE LAWS, RULES OR REGULATIONS) ON OR IN THE PREMISES. WITHOUT LIMITING THE FOREGOING, TENANT IRREVOCABLY WAIVES ALL CLAIMS AGAINST LANDLORD WITH RESPECT TO ANY ENVIRONMENTAL CONDITION, INCLUDING CONTRIBUTION AND INDEMNITY CLAIMS, WHETHER STATUTORY OR OTHERWISE. TENANT ASSUMES FULL RESPONSIBILITY FOR ALL COSTS AND EXPENSES REQUIRED TO CAUSE THE

PREMISES TO COMPLY WITH ALL APPLICABLE BUILDING AND FIRE CODES, MUNICIPAL ORDINANCES, ENVIRONMENTAL LAWS AND OTHER LAWS, RULES, ORDERS, AND REGULATIONS.

4.3. Holding Over.

4.3.1. If, with Landlord's prior written consent, Tenant holds possession of all or any part of the Premises after the Term, Tenant shall become a tenant from month-to-month after the expiration or earlier termination of the Term, and in such case Tenant shall continue to pay (a) Base Rent, as adjusted in accordance with Section 6, (b) Additional Rent, and (c) any amounts for which Tenant would otherwise be liable under this Lease if the Lease were still in effect. Any such month-to-month tenancy shall be subject to every other term, covenant and agreement contained herein.

4.3.2. If Tenant retains possession of any portion of the Premises after the Term without Landlord's prior written consent, then (a) Tenant shall be a tenant at sufferance subject to the terms and conditions of this Lease, except that the monthly rent shall be equal to [***] percent ([***]%) of the monthly Rent in effect during the last thirty (30) days of the Term, and (b) Tenant shall be liable to Landlord for any and all damages suffered by Landlord directly as a result of such holdover, including any lost rent (offset by any rent actually paid by Tenant) or consequential, special and indirect damages (in each case, regardless of whether such damages are foreseeable).

4.3.3. Acceptance by Landlord of Rent after the expiration or earlier termination of the Term shall not result in an extension, renewal or reinstatement of this Lease. The foregoing provisions of this Section 4 are in addition to and do not affect Landlord's right of reentry or any other rights of Landlord hereunder or as otherwise provided by Applicable Laws. The provisions of this Section 4 shall survive the expiration or earlier termination of this Lease.

5. Tenant Improvements.

5.1. Tenant shall cause appropriate improvements consistent with the Permitted Use (the "**Tenant Improvements**") to be constructed in the Premises pursuant to the Work Letter attached hereto as Exhibit E (the "**Work Letter**") at a cost to Landlord not to exceed Fifteen Million Dollars ($15,000,000.00) (the "**TI Allowance**"). The TI Allowance may be applied to the costs of (a) construction, (b) project review by Landlord (which fee shall equal [***] percent ([***]%) of the cost of the Tenant Improvements, including the TI Allowance), (c) commissioning of mechanical, electrical and plumbing systems by a licensed, qualified commissioning agent hired by Tenant, and review of such party's commissioning report by a licensed, qualified commissioning agent hired by Landlord, (d) space planning, architect, engineering and other related services performed by third parties unaffiliated with Tenant, (e) building permits and other taxes, fees, charges and levies by governmental authorities for permits or for inspections of the Tenant Improvements, and (f) costs and expenses for labor, material, equipment and fixtures. In no event shall the TI Allowance be used for (m) the cost of work that is not authorized by the Approved Plans (as defined in the Work Letter) or otherwise approved in writing by Landlord, (n) payments to Tenant or any affiliates of Tenant, (o) the purchase of any furniture, personal property or other non-building system equipment, (p) costs resulting from any default by Tenant of its obligations under this Lease or (q) costs that are recoverable by Tenant from a third party (e.g., insurers, warrantors, or tortfeasors).

5.2. Tenant shall have until June 30, 2037 to request disbursement for the final installment of the TI Allowance, and may request no more than fifteen (15) disbursements of the TI Allowance, with each disbursement (other than the final disbursement) being no less than [***] Dollars ($[***]). Landlord's obligation to disburse any of the TI Allowance shall be conditional upon Tenant's satisfaction of the conditions precedent to funding of the TI Allowance set forth in Section 6.3 of the Work Letter. In addition, Landlord’s obligation to disburse any of the TI Allowance in excess of Fourteen Million Five Hundred Thousand Dollars ($14,500,000.00) shall be conditioned upon the satisfaction of the following: (a) Tenant's delivery to Landlord of a certificate of occupancy for the Premises suitable for the Permitted Use, as applicable; (b) Tenant's delivery to Landlord of a Certificate of Substantial Completion in the form of the American Institute of Architects document G704, executed by the project architect and the general contractor or such other form or certification as may be reasonably acceptable to Landlord;

(c) Tenant's satisfaction of the conditions precedent to funding of the TI Allowance set forth in Section 6.3 of the Work Letter; and (d) there shall be no uncured event of default by Tenant under this Lease.

6. Rent.

6.1. Rent. Base Rent and Additional Rent (as defined below) shall together be denominated "**Rent**." Rent shall be paid by ACH, wire transfer or check (but in no event may Rent be payable in cash unless Landlord provides its consent to such form of payment, in Landlord's sole and absolute discretion) to Landlord, without abatement, deduction or offset, in lawful money of the United States of America to the address set forth in Section 2 or to such other person or at such other place as Landlord may from time designate in writing. In the event the Term commences on a day other than the first day of a calendar month or ends on a day other than the last day of a calendar month, then the Rent for such fraction of a month shall be prorated for such period on the basis of the number of days in the month and shall be paid at the then-current rate for such fractional month.

6.2. Base Rent. Tenant shall pay to Landlord as Base Rent for the Premises, commencing on the Commencement Date, the sums set forth in Section 2, subject to the rental adjustments provided in Section 6.5. Base Rent shall be paid in equal monthly installments, subject to the rental adjustments provided in Section 6.5, each in advance on, or before, the first day of each and every calendar month during the Term.

6.3. Additional Rent. In addition to Base Rent, Tenant shall pay to Landlord as additional rent ("**Additional Rent**") at times hereinafter specified in this Lease (a) amounts related to Operating Expenses and Taxes (each as defined below), unless paid directly by Tenant to third parties to whom such amounts are owed, (b) the Property Management Fee (as defined below) and (c) any other amounts that Tenant assumes or agrees to pay under the provisions of this Lease that are owed to Landlord (whether or not such amounts are referred to herein as "Additional Rent"), including any and all other sums that may become due by reason of any default of Tenant or failure on Tenant's part to comply with the agreements, terms, covenants and conditions of this Lease to be performed by Tenant.

6.3.1. Operating Expenses. Tenant will pay directly all Operating Expenses of the Premises in a timely manner and prior to delinquency, unless otherwise specified herein that Landlord shall pay directly such Operating Expenses and receive reimbursement from Tenant. In the event that Tenant fails to pay any Operating Expense within ten (10) days after written notice by Landlord to Tenant, and without being under any obligation to do so and without hereby waiving any default by Tenant, Landlord may pay any delinquent Operating Expenses. Any Operating Expense paid by Landlord and any expenses reasonably incurred by Landlord in connection with the payment of the delinquent Operating Expense may be billed immediately to Tenant, or at Landlord's option and upon written notice to Tenant, may be deducted from the Security Deposit. "**Operating Expenses**" means all costs and expenses incurred by Landlord with respect to the ownership, maintenance and operation of the Premises including, but not limited to: insurance, maintenance, repair and replacement of the foundation, roof, walls, heating, ventilation, air conditioning, plumbing, electrical, mechanical, utility and safety systems, paving and parking areas, roads and driveways; maintenance of exterior areas such as gardening and landscaping, snow removal and signage; maintenance and repair of roof membrane, flashings, gutters, downspouts, roof drains, skylights and waterproofing; painting; lighting; cleaning; refuse removal; security; utilities for, or the maintenance of, outside areas; building personnel costs; personal property taxes; rentals or lease payments paid by Landlord for rented or leased personal property used in the operation or maintenance of the Premises; and fees for required licenses and permits. Operating Expenses shall exclude (a) legal fees, brokerage commissions, advertising costs and other related expenses incurred in connection with the leasing of the Building; (b) wages, salaries benefits, perquisites and compensation paid or given to (i) executives, shareholders, officers, directors or partners of Landlord, (ii) any principal or partner of the entity from time to time comprising Landlord, or (iii) off-site employees and employees at the Building above the level of Building manager; (c) Landlord’s general overhead and administrative expenses not related to the Building; (d) payments of principal or interest on any mortgage or other encumbrance including ground lease payments and points, commissions and legal fees associated with financing; (e) non-cash items, such as deductions for depreciation and amortization of the Building and the Building equipment, or interest on capital invested; and (f) costs incurred in connection with the actual or contemplated sales, financing, refinancing, mortgaging, syndicating,

selling, or change of ownership interest of the Building, including brokerage commissions, attorneys, and accountants' fees, closing costs, title insurance premiums, transfer taxes and interest charges.

6.3.2. Taxes. Tenant will promptly pay to Landlord upon Landlord's written request the amount of all Taxes levied and assessed for any such year upon the Premises. "**Taxes**" means any and all real estate taxes, fees, assessments and other charges of any kind or nature, whether general, special, ordinary or extraordinary, that Landlord shall pay or accrue (without regard to any different fiscal year used by such governmental authority) that are levied in respect of the Premises, or in respect of any improvement, fixture, equipment or other property of Landlord, real or personal, located at the Premises, or used in connection with the operation of the Premises, and all fees, expenses, and costs incurred by Landlord in investigating, protesting, contesting, or in any way seeking to reduce or avoid increases in any assessments, levies, or the tax rate pertaining to the Taxes. Taxes shall not include Landlord's corporate franchise taxes, estate taxes, inheritance taxes or federal or state income taxes.

6.3.3. Estimated Costs. If and to the extent applicable, within sixty (60) days after the Commencement Date, and within sixty (60) days after the beginning of each calendar year, Landlord shall give Tenant a written estimate, for such calendar year, of the cost of Taxes and Operating Expenses payable by Landlord. Tenant shall pay such estimated amount to Landlord in equal monthly installments, in advance. Within ninety (90) days after the end of each calendar year, Landlord shall furnish to Tenant a statement showing in reasonable detail the cost of Taxes and Operating Expenses paid or payable by Landlord (the "**Annual Statement**"), and Tenant shall pay to Landlord the cost incurred by Landlord in excess of the payments made by Tenant within thirty (30) days of receipt of such Annual Statement. In the event that the payments made by Tenant to Landlord for the estimated Taxes and Operating Expenses exceed the aggregate amount set forth in the Annual Statement, such excess amount shall be credited by Landlord to the Rent or other charges next due and owing, provided that, if the Term has expired, Landlord shall accompany said statement with the amount due Tenant.

6.3.4. Property Management Fee. Tenant shall pay to Landlord on, or before, the first day of each calendar month of the Term, as Additional Rent, the Property Management Fee. The "**Property Management Fee**" shall equal [***] percent ([***]%) of the then-current Base Rent due from Tenant. Tenant shall pay the Property Management Fee with respect to the entire Term, including any extensions thereof or any holdover periods, regardless of whether Tenant is obligated to pay Base Rent or any other Rent with respect to any such period or portion thereof.

6.3.5. Absolute Net Lease. This Lease shall be deemed and construed to be an "absolute net lease" and, except as herein expressly provided, the Landlord shall receive all payments required to be made by Tenant, free from all charges, assessments, impositions, expenses, deductions of any and every kind or nature whatsoever. Tenant shall, at Tenant's sole cost and expense, maintain the landscaping and parking lot, and make all additional repairs and alterations as required to maintain the Premises consistent with industry best practices.

6.4. Security Deposit. On or before the Execution Date of this Lease, Tenant shall deposit the sum in cash set forth in Section 2.2 (the "**Security Deposit**"), which sum shall be held by Landlord as security for the faithful performance by Tenant of all of the terms, covenants and conditions of this Lease to be kept and performed by Tenant during the Term. Landlord shall not be required to maintain a separate account for the Security Deposit, but may intermingle it with other funds of Landlord. If Tenant defaults with respect to any provision of this Lease beyond applicable notice and cure periods, then without notice to Tenant, Landlord may (but shall not be required to) apply all or any part of the Security Deposit for the payment of any Rent or any other sum in default. If any portion of the Security Deposit is so used or applied, then Tenant shall, upon demand therefor, restore the Security Deposit to its original amount. If Tenant shall fully and faithfully perform every provision of this Lease to be performed by it, then the unapplied portion of the Security Deposit shall be returned to Tenant, or, at Landlord's option, to the last assignee of Tenant's interest hereunder, within sixty (60) days following the expiration of the Term. Tenant shall not be entitled to any interest on the Security Deposit. Tenant hereby irrevocably waives and relinquishes any and all rights, benefits, or protections, if any, Tenant now has, or in the future may have under any provision of law which (i) establishes the time frame by which a landlord must refund a security deposit under a lease, or (ii) provides that a landlord may claim from a security deposit only those sums reasonably necessary to remedy defaults in the payment of rent, to repair damage caused by a tenant, or to clean the subject premises.

Tenant acknowledges and agrees that (A) any statutory time frames for the return of a security deposit are superseded by the express period identified in this Section 6.4, and (B) rather than be so limited, Landlord may claim from the Security Deposit (i) any and all sums expressly identified in this Section 6.4, and (ii) any additional sums reasonably necessary to compensate Landlord for any and all losses or damages caused by Tenant's default of this Lease, including, but not limited to, all damages or rent due upon termination of this Lease. In the event of bankruptcy or other debtor-creditor proceedings against Tenant, the Security Deposit shall be deemed to be applied first to the payment of Rent and other charges due Landlord for all periods prior to the filing of such proceedings. Provided that (a) no default by Tenant under this Lease has occurred and is continuing and (b) Tenant has achieved an EBITDA (as defined below) for the immediately preceding six (6) month period that is equal to two times the then-current Base Rent for such time period (the "**EBITDA Condition**"), the Security Deposit shall be reduced to Five Hundred Fifty-Five Thousand Four Hundred Sixty-Eight and 75/100 Dollars ($555,468.75) (the "**Reduced Security Deposit**"). For purposes of the foregoing, the term "**EBITDA**" shall mean net income before interest, taxes, depreciation and amortization. Landlord shall be required to deliver to Tenant the portion of the Security Deposit retained by Landlord that is in excess of the Reduced Security Deposit within thirty (30) days after (x) Tenant has delivered to Landlord reasonable supporting documentation that Tenant has satisfied the conditions set forth in Subsections (a) and (b) above, including a certification from the principal financial officer of Tenant confirming that such conditions have been satisfied and that the documentation provided to Landlord evidencing satisfaction of the EBITDA Condition is true, correct and complete in all material respects and does not contain any misrepresentations or omissions of facts, and (y) Landlord reasonably has approved such documentation and agrees that such conditions have been satisfied. If the Tenant subsequently fails to meet the EBITDA Condition at any time during the Term, then Tenant shall be required to promptly deliver to Landlord an amount sufficient to increase the Security Deposit held by Landlord back to the sum of One Million One Hundred Ten Thousand Nine Hundred Thirty-Seven and 50/100 Dollars ($1,110,937.50). Following the reduction of the Security Deposit to the Reduced Security Deposit, upon Landlord's request, Tenant shall promptly deliver to Landlord such documentation as may be reasonably required by Landlord to assess whether the EBITDA Condition remains satisfied.

6.5. Base Rent Adjustments. Base Rent shall be subject to an annual upward adjustment of [***] percent ([***]%) of the then-current Base Rent. The first such adjustment shall become effective commencing on the first annual anniversary of the Commencement Date, and subsequent adjustments shall become effective on every successive annual anniversary for so long as this Lease continues in effect.

6.6. No Discharge of Rent Obligations. Tenant's obligation to pay Rent shall not be discharged or otherwise affected by (a) any Applicable Laws now or hereafter applicable to the Premises, (b) any other restriction on Tenant's use, (c) except as expressly provided herein, any casualty or taking or (d) any other occurrence; and Tenant waives all rights now or hereafter existing to terminate or cancel this Lease or quit or surrender the Premises or any part thereof, or to assert any defense in the nature of constructive eviction to any action seeking to recover rent. Tenant's obligation to pay Rent with respect to any period or obligations arising, existing or pertaining to the period prior to the date of the expiration or earlier termination of the Term or this Lease shall survive any such expiration or earlier termination; provided, however, that nothing in this sentence shall in any way affect Tenant's obligations with respect to any other period. Except as expressly provided in this Lease, Tenant, to the extent now or hereafter permitted by Applicable Laws, waives all rights now or hereafter conferred by statute or otherwise to quit, terminate or surrender this Lease or to any diminution, abatement or reduction of Rent payable hereunder.

7. Use.

7.1. Use. Tenant shall use the Premises solely for the Permitted Use, and shall not use the Premises, or permit or suffer the Premises to be used, for any other purpose without Landlord's prior written consent, which consent Landlord may withhold in its sole but reasonable discretion. Tenant shall comply, and cause Tenant Parties to comply, with all Applicable Laws, zoning ordinances and certificates of occupancy issued for the Premises or any portion thereof. Tenant shall not make any penetrations in the roof of the Building without the consent of Landlord, and any work on the roof shall be undertaken by contractors approved by the company providing the warranty for the roof and shall otherwise be performed in such a manner so as not to violate any roof warranty and, if there is no roof warranty, to the standards which the company previously providing the roof warranty would require if there was a roof warranty. Tenant shall not commit, or allow Tenant Parties to commit, any waste of the Premises. Tenant

shall not do, or permit Tenant Parties to do, anything on or about the Premises that in any way invalidates or prevents the procuring, of any insurance protecting against loss or damage to any portion of the Premises or its contents, or against liability for damage to property or injury to persons in or about any portion of the Premises. For purposes hereof, "**Tenant Parties**" means Tenant's agents, contractors, subcontractors, employees, customers, licensees, invitees, assignees and subtenants; and the term "**Applicable Laws**" means all federal (to the extent not in direct conflict with applicable state, municipal or local cannabis licensing and program laws, rules and regulations), state, municipal and local laws, codes, ordinances, rules and regulations of governmental authorities, committees, associations, or other regulatory committees, agencies or governing bodies having jurisdiction over the Premises or any portion thereof, Landlord or Tenant, including both statutory and common law, hazardous waste rules and regulations, and state cannabis licensing and program laws, rules and regulations. Tenant may only place equipment within the Premises with floor loading consistent with the Building's structural design unless Tenant obtains Landlord's prior written approval. Tenant may place such equipment only in a location designed to carry the weight of such equipment.

7.2. Legal Compliance. Notwithstanding any other provision herein to the contrary, Tenant shall be responsible for all improvements or alterations required to be made and all liabilities, costs and expenses arising out of or in connection with the compliance of the Premises with Applicable Laws, including, without limitation, the Americans with Disabilities Act, 42 U.S.C. § 12101, et seq., and any state and local accessibility laws, codes, ordinances and rules (collectively, and together with regulations promulgated pursuant thereto, the "**ADA**"), and Tenant shall indemnify, save, defend (at Landlord's option and with counsel reasonably acceptable to Landlord) and hold the Landlord Indemnitees harmless from and against any Claims arising out of any such failure of the Premises to comply with Applicable Laws, including, without limitation, the ADA.

7.3. Indemnification. Tenant shall indemnify, save, defend (at Landlord's option and with counsel reasonably acceptable to Landlord) and hold Landlord and its affiliates, lenders, employees, agents and contractors (collectively, the "**Landlord Indemnitees**") harmless from and against any and all demands, claims, liabilities, losses, costs, expenses, criminal or civil actions, forfeiture seizures, causes of action, damages, suits or judgments, and all reasonable expenses (including reasonable attorneys' fees, charges and disbursements, regardless of whether the applicable demand, claim, action, cause of action or suit is voluntarily withdrawn or dismissed) incurred in investigating or resisting the same (collectively, "**Claims**") of any kind or nature that arise before, during or after the Term as a result of Tenant's breach of this Section 7.

8. Hazardous Materials.

8.1. Tenant shall not cause or permit any Hazardous Materials (as defined below) to be brought upon, kept or used in or about the Premises in violation of Applicable Laws by Tenant or any Tenant Party. If (a) Tenant breaches such obligation, (b) the presence of Hazardous Materials as a result of such a breach results in contamination of the Premises, any portion thereof, or any adjacent property, (c) contamination of the Premises otherwise occurs during the Term or any extension or renewal hereof or holding over hereunder or (d) contamination of the Premises occurs as a result of Hazardous Materials that are placed on or under or are released into the Premises by a Tenant Party, then Tenant shall indemnify, save, defend (at Landlord's option and with counsel reasonably acceptable to Landlord) and hold the Landlord Indemnitees harmless from and against any and all Claims of any kind or nature, including (w) diminution in value of the Premises or any portion thereof, (x) damages for the loss or restriction on use of rentable or usable space or of any amenity of the Premises, (y) damages arising from any adverse impact on marketing of space in the Premises or any portion thereof and (z) sums paid in settlement of Claims that arise before, during or after the Term as a result of such breach or contamination. This indemnification by Tenant includes costs incurred in connection with any investigation of site conditions or any clean-up, remedial, removal or restoration work required by any governmental authority because of Hazardous Materials present in the air, soil or groundwater above, on, under or about the Premises. Without limiting the foregoing, if the presence of any Hazardous Materials in, on, under or about the Premises, any portion thereof or any adjacent property caused or permitted by any Tenant Party results in any contamination of the Premises, any portion thereof or any adjacent property, then Tenant shall promptly take all actions at its sole cost and expense as are necessary to return the Premises, any portion thereof or any adjacent property to its respective condition existing prior to the time of such contamination; provided that Landlord's written approval of such action shall first be obtained, which approval

Landlord shall not unreasonably withhold; and provided, further, that it shall be reasonable for Landlord to withhold its consent if such actions could have a material adverse long-term or short-term effect on the Premises, any portion thereof or any adjacent property. Tenant's obligations under this Section shall not be limited by any limitation on the amount or type of damages, compensation or benefits payable by or for Tenant under workers' compensation acts, disability benefit acts, employee benefit acts or similar legislation.

8.2. Landlord acknowledges that it is not the intent of this Section 8 to prohibit Tenant from operating its business for the Permitted Use. Tenant may operate its business according to the custom of Tenant's industry so long as the use or presence of Hazardous Materials is strictly and properly monitored in accordance with Applicable Laws. As a material inducement to Landlord to allow Tenant to use Hazardous Materials in connection with its business, Tenant agrees to deliver to Landlord (a) a list identifying each type of Hazardous Material to be present at the Premises that is subject to regulation under any environmental Applicable Laws in the form of a Tier II form pursuant to Section 312 of the Emergency Planning and Community Right-to-Know Act of 1986 (or any successor statute) or any other form reasonably requested by Landlord, (b) a list of any and all approvals or permits from governmental authorities required in connection with the presence of such Hazardous Material at the Premises and (c) correct and complete copies of notices of violations of Applicable Laws related to Hazardous Materials (collectively, "**Hazardous Materials Documents**"). Tenant shall deliver to Landlord updated Hazardous Materials Documents, within fourteen (14) days after receipt of a written request therefor from Landlord, not more often than once per year, unless (m) there are any changes to the Hazardous Materials Documents or (n) Tenant initiates any Tenant Improvements or Alterations or changes its business, in either case in a way that involves any material increase in the types or amounts of Hazardous Materials. In the event that a review of the Hazardous Materials Documents indicates non-compliance with this Lease or Applicable Laws, Tenant shall, at its expense, diligently take steps to bring its storage and use of Hazardous Materials into compliance. Notwithstanding anything in this Lease to the contrary or Landlord's review into Tenant's Hazardous Materials Documents or use or disposal of hazardous materials, however, Landlord shall not have and expressly disclaims any liability related to Tenant's or other tenants' use or disposal of Hazardous Materials, it being acknowledged by Tenant that Tenant is best suited to evaluate the safety and efficacy of its Hazardous Materials usage and procedures.

8.3. Tenant represents and warrants to Landlord that Tenant is not, nor has it been, in connection with the use, disposal or storage of Hazardous Materials, (a) subject to a material enforcement order issued by any governmental authority or (b) required to take any remedial action.

8.4. At any time, and from time to time, prior to the expiration of the Term, Landlord shall have the right to conduct appropriate tests of the Premises or any portion thereof to demonstrate that Hazardous Materials are present or that contamination has occurred due to the acts or omissions of a Tenant Party, the cost of which shall be an Operating Expense. Such inspections shall be made only after Landlord provides notice to and receives approval from the relevant regulatory authorities regarding the testing.

8.5. If underground or other storage tanks storing Hazardous Materials installed or utilized by Tenant are located on the Premises, or are hereafter placed on the Premises by Tenant (or by any other party, if such storage tanks are utilized by Tenant), then Tenant shall monitor the storage tanks, maintain appropriate records, implement reporting procedures, properly close any underground storage tanks, and take or cause to be taken all other steps necessary or required under the Applicable Laws.

8.6. Tenant shall promptly report to Landlord any actual or suspected presence of mold or water intrusion at the Premises.

8.7. Tenant's obligations under this Section 8 shall survive the expiration or earlier termination of the Lease. During any period of time needed by Tenant or Landlord after the termination of this Lease to complete the removal from the Premises of any such Hazardous Materials, Tenant shall be deemed a holdover tenant and subject to the provisions of Section 4.

8.8. As used herein, the term "**Hazardous Material**" means any toxic, explosive, corrosive, flammable, infectious, radioactive, carcinogenic, mutagenic or otherwise hazardous substance, material or waste that is or becomes regulated by Applicable Laws or any governmental authority.

9. Alterations.

9.1. Tenant shall not make any alterations, additions or improvements in or to the Premises or engage in any construction, demolition, reconstruction, renovation or other work (whether major or minor) of any kind in, at or serving the Premises ("**Alterations**"), without obtaining Landlord's prior written consent, which shall not be unreasonably withheld, except Tenant may make non-structural Alterations to the interior of the Premises (excluding the roof) without such consent but upon at least ten (10) days' prior notice to Landlord, provided that the cost thereof does not exceed [***] Dollars ($[***]) per occurrence or an aggregate amount of [***] Dollars ($[***]) annually. Notwithstanding the foregoing, Tenant will not do anything that could have a material adverse effect on the Building or life safety systems, without obtaining Landlord's prior written consent. Any such improvements, excepting movable furniture, trade fixtures and equipment, shall become part of the realty and belong to Landlord. All alterations and improvements shall be properly permitted and installed at Tenant's sole cost, by a licensed contractor, in a good and workmanlike manner, and in conformity with all Applicable Laws. Any alterations that Tenant shall desire to make and which require the consent of Landlord shall be presented to Landlord in written form with detailed plans. Tenant shall: (i) acquire all applicable governmental permits; (ii) furnish Landlord with copies of both the permits and the plans and specifications at least thirty (30) days before the commencement of the work, and (iii) comply with all conditions of said permits in a prompt and expeditious manner. Any alterations shall be performed in a workmanlike manner with good and sufficient materials. Upon completion of any Alterations, Tenant shall promptly upon completion furnish Landlord with a reproducible copy of as-built drawings and specifications for any Alterations.

9.2. At least twenty (20) days prior to commencing any work relating to any Alterations requiring the approval of Landlord that have been so approved, Tenant shall notify Landlord in writing of the expected date of commencement. Tenant shall pay, when due, all claims for labor or materials furnished to or for Tenant for use in improving the Premises. Tenant shall not permit any mechanics' or materialmen's liens to be levied against the Premises arising out of work performed, materials furnished, or obligations to have been performed on the Premises by or at the request of Tenant. Tenant shall indemnify, save, defend (at Landlord's option and with counsel reasonably acceptable to Landlord) and hold Landlord Indemnitees from and against any and all Claims of any kind or nature that arise before, during or after the Term on account of claims of lien of laborers or materialmen or others for work performed or materials or supplies furnished for Tenant or its contractors, agents or employees. If Tenant fails to discharge or undertake to defend against such liability, upon receipt of written notice from Landlord of such failure, Tenant shall have thirty (30) days (the "**Defense Cure Period**") to cure such failure by prosecuting such a defense. If Tenant fails to do so within the Defense Cure Period, then Landlord may settle the same and Tenant's liability to Landlord shall be conclusively established by such settlement provided that such settlement is entered into on commercially reasonable terms and conditions, the amount of such liability to include both the settlement consideration and the costs and expenses (including attorneys' fees) incurred by Landlord in effecting such settlement. In the event any contractor, agent or employee notifies Tenant of its intent to file a mechanics' or materialmen's lien against the Premises, Tenant shall immediately notify Landlord of such intention to file a lien or a lawsuit with respect to such lien.

9.3. Tenant shall repair any damage to the Premises caused by Tenant's removal of any property from the Premises. During any such restoration period, Tenant shall pay Rent to Landlord as provided herein as if such space were otherwise occupied by Tenant. The provisions of this Section shall survive the expiration or earlier termination of this Lease.

9.4. The Premises plus any Alterations, Tenant Improvements, attached equipment, decorations, fixtures and trade fixtures; movable casework and related appliances; and other additions and improvements attached to or built into the Premises made by either of the parties (including all floor and wall coverings; paneling; sinks and related plumbing fixtures; attached benches; production equipment; walk-in refrigerators; ductwork; conduits; electrical panels and circuits; attached machinery and equipment; and built-in furniture and cabinets, in

each case, together with all additions and accessories thereto), shall (unless, prior to such construction or installation, Landlord elects otherwise in writing) at all times remain the property of Landlord, shall remain in the Premises and shall (unless, prior to construction or installation thereof, Landlord elects otherwise in writing) be surrendered to Landlord upon the expiration or earlier termination of this Lease. For the avoidance of doubt, the items listed on Exhibit B attached hereto (which Exhibit B may be updated by Tenant from and after the Commencement Date, subject to Landlord's written consent) constitute Tenant's property and shall be removed by Tenant upon the expiration or earlier termination of the Lease.

9.5. If Tenant shall fail to remove any of its property from the Premises prior to the expiration of the Term, then Landlord may, at its option, remove the same in any manner that Landlord shall choose and store such effects without liability to Tenant for loss thereof or damage thereto, and Tenant shall pay Landlord, upon demand, any costs and expenses incurred due to such removal and storage or Landlord may, at its sole option, without notice to Tenant and subject to approval from Michigan cannabis regulatory authorities as required for certain items, sell such property or any portion thereof at private sale and without legal process for such price as Landlord may obtain and apply the proceeds of such sale against any (a) amounts due by Tenant to Landlord under this Lease and (b) any expenses incident to the removal, storage and sale of such personal property.

9.6. Tenant shall pay to Landlord an amount equal to [***] percent ([***]%) of the cost to Tenant of all Alterations to cover Landlord's overhead and expenses for plan review, engineering review, coordination, scheduling and supervision thereof. For purposes of payment of such sum, Tenant shall submit to Landlord copies of all bills, invoices and statements covering the costs of such charges, accompanied by payment to Landlord of the fee set forth in this Section. In addition, Tenant shall reimburse Landlord for all thirdparty costs actually incurred by Landlord in connection with any Alterations, including any non-structural Alterations that do not require Landlord’s prior consent.

9.7. Tenant shall require its contractors and subcontractors performing work on the Premises to name Landlord and its affiliates and any lender as additional insureds on their respective insurance policies, except to the extent that the same is not permitted by Michigan law or regulation.

10. Odors and Fumes. Tenant shall not cause or permit (or conduct any activities that would cause) any release of any odors or fumes of any kind from the Premises in excess of quantities prohibited by Applicable Law or any applicable CC&Rs. Tenant shall, at Tenant's sole cost and expense, provide odor eliminators and other devices (such as filters, air cleaners, scrubbers and whatever other equipment may in Landlord's judgment be necessary or appropriate from time to time) to abate any odors, fumes or other substances in Tenant's exhaust stream that, in Landlord's reasonable judgment, emanate from Tenant's Premises. Any work Tenant performs under this Section shall constitute Alterations. Tenant's responsibility to abate odors, fumes and exhaust shall continue throughout the Term. If Tenant fails to install satisfactory odor control equipment within thirty (30) days after Landlord's written demand made at any time, then Landlord may, without limiting Landlord's other rights and remedies, require Tenant to cease and suspend any operations in the Premises that, in Landlord's reasonable determination, cause odors, fumes or exhaust in violation of quantities allowed under Applicable Laws or any applicable CC&Rs.

11. Repairs and Maintenance.

11.1. Care of Premises. This Lease shall be deemed and construed to be an "absolute net lease." Tenant shall, at its sole cost and expense, keep the Premises in a working, neat, clean, sanitary, safe condition and repair, and shall keep the Premises free from trash. Tenant shall make all repairs or replacements thereon or thereto, whether ordinary or extraordinary. Without limiting the foregoing, Tenant’s obligations hereunder shall include the maintenance, repair and replacement of the Building foundation, roof (including roof membrane), walls and all other structural components of the Building; all heating, ventilation, air conditioning, plumbing, electrical, mechanical, utility and safety systems serving the Building or Premises; the parking areas, roads and driveways located on the Premises; maintenance of exterior areas such as gardening and landscaping; snow removal and signage; maintenance and repair of flashings, gutters, downspouts, roof drains, skylights and waterproofing; and painting. Landlord shall not be required to furnish any services or facilities or to make any repairs, replacements or alterations of any kind in or on the Premises. Tenant shall receive all invoices and bills relative to the Premises and, except as otherwise

provided herein, shall pay for all expenses directly to the person or company submitting a bill without first having to forward payment for the expenses to Landlord. Tenant hereby expressly waives the right to make repairs at the expense of Landlord as provided for in any Applicable Laws in effect at the time of execution of this Lease, or in any other Applicable Laws that may hereafter be enacted, and waives its rights under Applicable Laws relating to a landlord's duty to maintain its premises in a tenantable condition.

11.2. Service Contracts and Invoices. Tenant shall, promptly upon Landlord's written request therefor, provide Landlord with copies of all service contracts relating to the Tenant's maintenance of the Premises and invoices received from Tenant from such service providers.

11.3. Action by Landlord if Tenant Fails to Maintain. If Tenant refuses or neglects to repair or maintain the Premises as required hereunder to the reasonable satisfaction of Landlord, Landlord, at any time following ten (10) business days from the date on which Landlord shall make written demand on Tenant to affect such repair or maintenance, may, but shall not have the obligation to, make such repair and/or maintenance (without liability to Tenant for any loss or damage which may occur to Tenant's merchandise, fixtures or other personal property, or to Tenant's business by reason thereof unless caused by Landlord's active gross negligence or intentional misconduct) and upon completion thereof, Tenant shall pay to Landlord as Landlord Additional Rent Landlord's reasonable costs for making such repairs, plus interest at the Default Rate from the date of expenditure by Landlord upon demand therefor. Moreover, Tenant's failure to pay any of the charges in connection with the performance of its maintenance and repair obligations under this Lease will constitute a material default under the Lease.

11.4. No Rent Abatement. There shall be no abatement of Rent and no liability of Landlord by reason of any injury to or interference with Tenant's business arising from the making of any repairs, alterations or improvements in or to any portion of the Premises, or in or to improvements, fixtures, equipment and personal property therein unless caused by Landlord's active gross negligence or intentional misconduct.

11.5. Right of Entry. After providing the required notice to and receiving required approval from the relevant Michigan regulatory agencies, Landlord and Landlord's agents shall have the right to enter upon the Premises or any portion thereof for the purposes of performing any repairs or maintenance Landlord is permitted to make pursuant to this Lease, and of ascertaining the condition of the Premises or whether Tenant is observing and performing Tenant's obligations hereunder, all without unreasonable interference from Tenant or Tenant Parties. Except for emergency maintenance or repairs, the right of entry contained in this paragraph shall be exercisable at reasonable times, at reasonable hours and on reasonable notice of not less than twenty-four (24) hours, subject to Tenant's authorized personnel accompanying Landlord's agents in sensitive areas of the Premises and conditioned upon the required approval and consent from Michigan cannabis regulatory agencies. For the absence of doubt, all subsequent references to Landlord's right of entry contained herein are subject to the same approval by the Michigan cannabis regulatory agencies. Landlord shall use commercially reasonable efforts to minimize interference with Tenant's use and operations.

12. Liens. Tenant shall keep the Premises free from any liens arising out of work or services performed, materials furnished to or obligations incurred by Tenant. Tenant further covenants and agrees that any mechanic's or materialman's lien filed against the Premises for work or services claimed to have been done for, or materials claimed to have been furnished to, or obligations incurred by Tenant shall be discharged or bonded by Tenant within twenty (20) days after the filing thereof, at Tenant's sole cost and expense. Should Tenant fail to discharge or bond against any lien of the nature described in this Section, Landlord may, at Landlord's election, pay such claim or otherwise provide security to eliminate the lien as a claim against title, and Tenant shall promptly reimburse Landlord for the costs thereof as Additional Rent. Tenant shall indemnify, save, defend (at Landlord's option and with counsel reasonably acceptable to Landlord) and hold the Landlord Indemnitees harmless from and against any Claims arising from any such liens, including any administrative, court or other legal proceedings related to such liens. In the event that Tenant leases or finances the acquisition of office equipment, furnishings or other personal property of a removable nature utilized by Tenant in the operation of Tenant's business, Tenant warrants that any Uniform Commercial Code financing statement shall, upon its face or by exhibit thereto, indicate that such financing statement is applicable only to removable personal property of Tenant located within the Premises.

13. Rules and Regulations and CC&Rs and Parking Facilities. Tenant shall faithfully observe and comply with and shall ensure that its contractors, subcontractors, employees, subtenants and invitees faithfully observe and comply with such reasonable and nondiscriminatory rules and regulations as are hereafter promulgated by Landlord provided that the same do not prohibit the Permitted Use or otherwise significantly interfere with Tenant's use and access to the Premises. This Lease is subject to any recorded covenants, conditions or restrictions on the Property or Premises, as the same may be amended, amended and restated, supplemented or otherwise modified from time to time (the "**CC&Rs**"). Tenant shall, at its sole cost and expense, comply with the CC&Rs.

14. Utilities and Services. Tenant shall make all arrangements for and pay for all water, sewer, gas, heat, light, power, telephone service and any other service or utility Tenant requires at the Premises. Landlord shall not be liable for any failure or interruption of any utility service being furnished to the Premises, and no such failure or interruption shall entitle Tenant to any abatement or right to terminate this Lease. In the event that any utilities are furnished by Landlord, Tenant shall pay to Landlord the cost thereof as an Operating Expense.

15. Estoppel Certificate. Tenant shall, within ten (10) business days after receipt of written notice from Landlord, execute, acknowledge and deliver a statement in writing substantially in the form attached to this Lease as Exhibit C, or on any other form reasonably requested by a current or proposed lender or encumbrancer or proposed purchaser, (a) certifying that this Lease is unmodified and in full force and effect (or, if modified, stating the nature of such modification and certifying that this Lease as so modified is in full force and effect) and the dates to which rental and other charges are paid in advance, if any, (b) acknowledging that there are not, to Tenant's knowledge, any uncured defaults on the part of Landlord hereunder, or specifying such defaults if any are claimed, and (c) setting forth such further information with respect to this Lease or the Premises as may be requested thereon. Each Guarantor shall, within ten (10) days after receipt of written notice from Landlord, execute, acknowledge and deliver a statement in writing in the same form. Tenant's or any Guarantor's failure to deliver any such statement within such the prescribed time shall be binding upon Tenant or such Guarantor (as applicable) that the Lease and such Guaranty are in full force and effect and without modification except as may be represented by Landlord in any certificate prepared by Landlord and delivered to Tenant or such Guarantor (as applicable) for execution.

16. Assignment or Subletting.

16.1. None of the following (each, a "**Transfer**"), either voluntarily or by operation of Applicable Laws, shall be directly or indirectly performed without Landlord's prior written consent: (a) Tenant selling, hypothecating, assigning, pledging, encumbering or otherwise transferring this Lease or subletting the Premises or (b) a controlling interest in Tenant being sold, assigned or otherwise transferred (other than as a result of shares in Tenant being sold on a public stock exchange or a Permitted Transfer as defined below). For purposes of the preceding sentence, "control" means (a) owning (directly or indirectly) more than fifty percent (50%) of the stock or other equity interests of another person or (b) possessing, directly or indirectly, the power to direct or cause the direction of the management and policies of such person.

16.2. In the event Tenant desires to effect a Transfer, then, at least thirty (30) but not more than ninety (90) days prior to the date when Tenant desires the Transfer to be effective (the "**Transfer Date**"), Tenant shall provide written notice to Landlord (the "**Transfer Notice**") containing information (including references) concerning the character of the proposed transferee, assignee or sublessee; the proposed Transfer Date; the most recent unconsolidated financial statements of Tenant and of the proposed transferee, assignee or sublessee ("**Required Financials**"); any ownership or commercial relationship between Tenant and the proposed transferee, assignee or sublessee; and the consideration and all other material terms and conditions of the proposed Transfer, all in such detail as Landlord shall reasonably require. In no event shall Landlord be deemed to be unreasonable for declining to consent to a Transfer to a transferee, assignee or sublessee of poor reputation, lacking financial qualifications or seeking a change in the Permitted Use, or jeopardizing directly or indirectly the status of Landlord

or any of Landlord's affiliates as a Real Estate Investment Trust under the Internal Revenue Code of 1986, as amended from time to time.

16.3. The following are conditions precedent to a Transfer or to Landlord considering a request by Tenant to a Transfer:

16.3.1. Tenant shall remain fully liable under this Lease and each Guarantor shall continue to remain fully liable under such Guarantor's Guaranty, including with respect to the Term after the Transfer Date. Tenant agrees that it shall not be (and shall not be deemed to be) a guarantor or surety of this Lease, however, and waives its right to claim that it is a guarantor or surety or to raise in any legal proceeding any guarantor or surety defenses permitted by this Lease or by Applicable Laws;

16.3.2. Tenant shall provide Landlord with evidence reasonably satisfactory to Landlord that the value of Landlord's interest under this Lease shall not be diminished or reduced by the proposed Transfer. Such evidence shall include evidence respecting the relevant business experience and financial responsibility and status of the proposed transferee, assignee or sublessee;

16.3.3. Tenant shall reimburse Landlord for Landlord's actual out of pocket costs and expenses, including reasonable attorneys' fees, charges and disbursements incurred in connection with the review, processing and documentation of such request;

16.3.4. If Tenant's transfer of rights or sharing of the Premises provides for the receipt by, on behalf of or on account of Tenant of any consideration of any kind whatsoever (including a premium rental for a sublease or lump sum payment for an assignment, but excluding Tenant's reasonable costs in marketing and subleasing the Premises) in excess of the rental and other charges due to Landlord under this Lease, Tenant shall pay [***] percent ([***]%) of all of such excess to Landlord, after making deductions for any reasonable marketing expenses, tenant improvement funds expended by Tenant, alterations, cash concessions, brokerage commissions, attorneys' fees and free rent actually paid by Tenant. If such consideration consists of cash paid to Tenant, payment to Landlord shall be made upon receipt by Tenant of such cash payment;

16.3.5. The proposed transferee, assignee or sublessee shall agree that, in the event Landlord gives such proposed transferee, assignee or sublessee notice that Tenant is in default under this Lease, such proposed transferee, assignee or sublessee shall thereafter make all payments otherwise due Tenant directly to Landlord, which payments shall be received by Landlord without any liability being incurred by Landlord, except to credit such payment against those due by Tenant under this Lease, and any such proposed transferee, assignee or sublessee shall agree to attorn to Landlord or its successors and assigns should this Lease be terminated for any reason; provided, however, that in no event shall Landlord or its Lenders, successors or assigns be obligated to accept such attornment;

16.3.6. Tenant shall not then be in default hereunder in any respect;

16.3.7. Such proposed transferee, assignee or sublessee's use of the Premises shall be the same as the Permitted Use;

16.3.8. Landlord shall not be bound by any provision of any agreement pertaining to the Transfer, except for Landlord's written consent to the same;

16.3.9. Tenant shall pay all transfer and other taxes (including interest and penalties) assessed or payable for any Transfer;

16.3.10. Landlord's consent (or waiver of its rights) for any Transfer shall not waive Landlord's right to consent or refuse consent to any later Transfer; and

16.3.11. Tenant shall deliver to Landlord a list of Hazardous Materials (as defined below), certified by the proposed transferee, assignee or sublessee to be true and correct, that the proposed transferee, assignee or sublessee intends to use or store in the Premises. Additionally, Tenant shall deliver to Landlord, on or before the date any proposed transferee, assignee or sublessee takes occupancy of the Premises, all of the items relating to Hazardous Materials of such proposed transferee, assignee or sublessee as described in Section 8.

16.4. Any Transfer that is not in compliance with the provisions of this Section or with respect to which Tenant does not fulfill its obligations pursuant to this Section shall be void and shall, at the option of Landlord, terminate this Lease.

16.5. Notwithstanding any Transfer, Tenant shall remain fully and primarily liable for the payment of all Rent and other sums due or to become due hereunder, and for the full performance of all other terms, conditions and covenants to be kept and performed by Tenant. The acceptance of Rent or any other sum due hereunder, or the acceptance of performance of any other term, covenant or condition thereof, from any person or entity other than Tenant shall not be deemed a waiver of any of the provisions of this Lease or a consent to any Transfer.

16.6. If Tenant delivers to Landlord a Transfer Notice indicating a desire to transfer this Lease to a proposed transferee, assignee or sublessee other than a Permitted Transferee, then Landlord shall have the option, exercisable by giving notice to Tenant within ten (10) days after Landlord's receipt of such Transfer Notice, to terminate this Lease as of the date specified in the Transfer Notice as the Transfer Date, except for those provisions that, by their express terms, survive the expiration or earlier termination hereof. If Landlord exercises such option, then Tenant shall have the right to withdraw such Transfer Notice by delivering to Landlord written notice of such election within five (5) business days after Landlord's delivery of notice electing to exercise Landlord's option to terminate this Lease. In the event Tenant withdraws the Transfer Notice as provided in this Section, this Lease shall continue in full force and effect. No failure of Landlord to exercise its option to terminate this Lease shall be deemed to be Landlord's consent to a proposed Transfer.

16.7. If Tenant sublets the Premises or any portion thereof, Tenant hereby immediately and irrevocably assigns to Landlord, as security for Tenant's obligations under this Lease, all rent from any such subletting, and appoints Landlord as assignee and attorney-in-fact for Tenant, and Landlord (or a receiver for Tenant appointed on Landlord's application) may collect such rent and apply it toward Tenant's obligations under this Lease; provided that, until the occurrence of a Default (as defined below) by Tenant, Tenant shall have the right to collect such rent.

16.8. Permitted Transfers. Notwithstanding the above, Tenant may assign its entire interest under this Lease or sublease all or a portion of the Premises without the consent of Landlord to: (i) an affiliate, subsidiary or parent of Tenant; (ii) any entity into which that Tenant or an affiliated party may merge or consolidate; (iii) any entity that acquires all or substantially all of the assets of Tenant; each a “Permitted Transfer” and such transferee a “Permitted Transferee”, provided that (a) Tenant notifies Landlord at least twenty (20) days prior to the effective date of any such Permitted Transfer, (b) Tenant is not in default and such assignment or sublease is not a subterfuge by Tenant to avoid its obligations under this Lease, (c) such Permitted Transferee shall have a tangible net worth (not including goodwill as an asset) computed in accordance with generally accepted accounting principles (“Net Worth”) at least equal to the Net Worth of the original Tenant on the day immediately preceding the effective date of such assignment or sublease and reasonably sufficient to comply with the obligations under this Lease, (d) no assignment or sublease relating to this Lease, whether with or without Landlord’s consent, shall relieve Tenant from any liability under this Lease, and (e) the liability of such Permitted Transferee under either an assignment or sublease shall be joint and several with Tenant and each Guarantor. Tenant’s notice to Landlord shall include information and documentation showing that each of the above conditions has been satisfied. As used in this Section 16.8, (w) “parent” shall mean a company which owns a majority of Tenant’s voting equity; (x) “subsidiary” shall mean an entity wholly owned by Tenant or at least fifty-one percent (51%) of whose voting equity is owned by Tenant; (y) “affiliate” shall mean an entity controlled by, controlling or under common control with Tenant; and (z) “control” shall mean the possession, direct or indirect, of the power to direct or cause the direction of the management and policies of a person or entity.

17. Indemnification and Exculpation.

17.1. Tenant agrees to indemnify, save, defend (at Landlord's option and with counsel reasonably acceptable to Landlord) and hold the Landlord Indemnitees harmless from and against any and all Claims of any kind or nature, real or alleged, arising from (a) injury to or death of any person or damage to any property occurring within or about the Premises arising directly or indirectly out of the presence at or use or occupancy of the Premises or Project by a Tenant Party, (b) an act or omission on the part of any Tenant Party; (c) a breach or default by Tenant in the performance of any of its obligations hereunder or (d) injury to or death of persons or damage to or loss of any property, real or alleged, arising from the serving of any intoxicating substances at the Premises or Project, except to the extent any of the foregoing are directly caused by Landlord's gross negligence or willful misconduct. Tenant's obligations under this Section shall not be affected, reduced or limited by any limitation on the amount or type of damages, compensation or benefits payable by or for Tenant under workers' compensation acts, disability benefit acts, employee benefit acts or similar legislation. Tenant's obligations under this Section shall survive the expiration or earlier termination of this Lease.

17.2. Notwithstanding anything in this Lease to the contrary, and except to the extent any of the foregoing are directly caused by Landlord's active gross negligence or willful misconduct, Landlord shall not be liable to Tenant for and Tenant assumes all risk of (a) damage or losses caused by fire, electrical malfunction, gas explosion or water damage of any type (including broken water lines, malfunctioning fire sprinkler systems, roof leaks or stoppages of lines), and (b) damage to personal property (in each case, regardless of whether such damages are foreseeable). Tenant further waives any claim for injury to Tenant's business or loss of income relating to any such damage or destruction of personal property as described in this Section. Notwithstanding anything in the foregoing or this Lease to the contrary, except as otherwise provided herein or as may be required by Applicable Laws, in no event shall Landlord be liable to Tenant for any consequential, special or indirect damages arising out of this Lease, including lost profits.

17.3. Landlord shall not be liable for any damages arising from any act, omission or neglect of any third party.

17.4. The provisions of this Section shall survive the expiration or earlier termination of this Lease.

18. Insurance; Waiver of Subrogation.

18.1. Landlord shall maintain a policy or policies of insurance protecting Landlord against the following (all of which shall be payable by Tenant as Operating Expenses):

18.1.1. Fire and other perils normally included within the classification of fire and extended coverage, together with insurance against vandalism and malicious mischief, to the extent of the full replacement cost of the Premises, including, at Landlord's option, flood coverage, exclusive of trade fixtures, equipment and improvements insured by Tenant, with agreed value, full replacement and other endorsements which Landlord may elect to maintain;

18.1.2. Twenty-four (24) months of rental loss insurance and to the extent of 100% of the gross rentals from the Premises;

18.1.3. Comprehensive general liability insurance with a single limit of not less than $[***] for bodily injury or death and property damage with respect to the Premises, a general aggregate not less than $[***] for bodily injury or death and property damage with respect to the Premises, and not less than $[***] of excess umbrella liability insurance; and

18.1.4. At Landlord's sole option, environmental liability or environmental clean-up/remediation insurance in such amounts and with such deductibles and other provisions as Landlord may determine in its sole and absolute discretion.

Notwithstanding the foregoing, Landlord may, at Landlord's option, request that Tenant procure and/or maintain, and pay directly, for one or more the foregoing policies of insurance, and Tenant shall exercise reasonable efforts to promptly procure such policies of insurance (or maintain such policies of insurance, as the case may be), and Landlord may require Tenant to name Landlord and Landlord's related parties as loss payees, in addition to other customary provisions related to Landlord's status as the owner of the Property.

18.2. Tenant shall, at its own cost and expense, procure and maintain during the Term the following insurance for the benefit of Tenant and Landlord (as their interests may appear) with insurers financially acceptable and lawfully authorized to do business in the state where the Premises are located:

18.2.1. Commercial General Liability insurance on a broad-based occurrence coverage form, with coverages including but not limited to bodily injury (including death), property damage (including loss of use resulting therefrom), premises/operations, personal & advertising injury, and contractual liability with limits of liability of not less than $[***] for bodily injury and property damage per occurrence, $[***] general aggregate, which limits may be met by use of excess and/or umbrella liability insurance provided that such coverage is at least as broad as the primary coverages required herein.

18.2.2. Commercial Automobile Liability insurance covering liability arising from the use or operation of any auto, including those owned, hired or otherwise operated or used by or on behalf of the Tenant. The coverage shall be on a broad-based occurrence form with combined single limits of not less than $[***] per accident for bodily injury and property damage.

18.2.3. Commercial Property insurance covering property damage to the full replacement cost value and business interruption. Covered property shall include all tenant improvements in the Premises (to the extent not insured by Landlord) and Tenant's property including personal property, furniture, fixtures, machinery, equipment, stock, inventory and improvements and betterments, which may be owned by Tenant or Landlord and required to be insured hereunder, or which may be leased, rented, borrowed or in the care custody or control of Tenant, or Tenant's agents, employees or subcontractors. Such insurance, with respect only to all Alterations, Tenant Improvements or other work performed on the Premises by Tenant (collectively, "**Tenant Work**"), shall name Landlord and Landlord's current and future mortgagees as loss payees as their interests may appear. Such insurance shall be written on an "all risk" of physical loss or damage basis including the perils of fire, extended coverage, electrical injury, mechanical breakdown, windstorm, vandalism, malicious mischief, sprinkler leakage, back-up of sewers or drains, flood, earthquake, terrorism and such other risks Landlord may from time to time designate, for the full replacement cost value of the covered items with an agreed amount endorsement with no co-insurance. Business interruption coverage shall have limits sufficient to cover Tenant's lost profits and necessary continuing expenses, including rents due Landlord under the Lease. The minimum period of indemnity for business interruption coverage shall be twelve (12) months plus twelve (12) months' extended period of indemnity.

18.2.4. Workers' Compensation insurance as is required by statute or law, or as may be available on a voluntary basis and Employers' Liability insurance with limits of not less than the following: each accident, [***] Dollars ($[***]); disease, [***] Dollars ($[***]); disease (each employee), [***] Dollars ($[***]).

18.2.5. Pollution Legal Liability insurance is required if Tenant stores, handles, generates or treats Hazardous Materials, as determined by Landlord, on or about the Premises. Such coverage shall include bodily injury, sickness, disease, death or mental anguish or shock sustained by any person; property damage including physical injury to or destruction of tangible property including the resulting loss of use thereof, clean-up costs, and the loss of use of tangible property that has not been physically injured or destroyed; and defense costs, charges and expenses incurred in the investigation, adjustment or defense of claims for such compensatory damages. Coverage shall apply to both sudden and non-sudden pollution conditions including the discharge, dispersal, release or escape of smoke, vapors, soot, fumes, acids, alkalis, toxic chemicals, liquids or gases, waste materials or other irritants, contaminants or pollutants into or upon land, the atmosphere or any watercourse or body of water. Claims-made coverage is permitted, provided the policy retroactive date is continuously maintained prior to the commencement date of this Lease, and coverage is continuously maintained during all periods in which Tenant

occupies the Premises. Coverage shall be maintained with limits of not less than $[***] per incident with a $[***] policy aggregate and for a period of two (2) years thereafter.

18.3. During all construction by Tenant at the Premises, with respect to tenant improvements being constructed (including the Tenant Improvements and any Alterations), Tenant shall cause the insurance required in Exhibit E-1 to be in place.

18.4. The insurance required of Tenant by this Section shall be with companies at all times having a current rating of not less than A- and financial category rating of at least Class VII in "A.M. Best's Insurance Guide" current edition. Tenant shall obtain for Landlord from the insurance companies/broker or cause the insurance companies/broker to furnish certificates of insurance evidencing all coverages required herein to Landlord. Landlord reserves the right to require complete, certified copies of all required insurance policies including any endorsements. To the extent such provision is available from the insurance company, no such policy shall be cancelable or subject to reduction of coverage or other modification or cancellation except after twenty (20) days' prior written notice to Landlord from Tenant or its insurers (except in the event of non-payment of premium, in which case ten (10) days' written notice shall be given). All such policies shall be written as primary policies, not contributing with and not in excess of the coverage that Landlord may carry. Tenant's required policies shall contain severability of interests clauses stating that, except with respect to limits of insurance, coverage shall apply separately to each insured or additional insured. Tenant shall, at least twenty-five (25) days prior to the expiration of such policies, furnish Landlord with renewal certificates of insurance or binders. Tenant agrees that if Tenant does not take out and maintain such insurance, Landlord may (but shall not be required to) procure such insurance on Tenant's behalf and at its cost to be paid by Tenant as Additional Rent. Commercial General Liability, Commercial Automobile Liability, Umbrella Liability and Pollution Legal Liability insurance as required above shall name Landlord, IIP Operating Partnership, LP and Innovative Industrial Properties, Inc. and their respective officers, employees, agents, general partners, members, subsidiaries, affiliates and Lenders ("**Landlord Parties**") as additional insureds as respects liability arising from work or operations performed by or on behalf of Tenant, Tenant's use or occupancy of Premises, and ownership, maintenance or use of vehicles by or on behalf of Tenant.

18.5. Tenant assumes the risk of damage to any fixtures, goods, inventory, merchandise, equipment and leasehold improvements, and Landlord shall not be liable for injury to Tenant's business or any loss of income therefrom, relative to such damage, all as more particularly set forth within this Lease. Tenant shall, at Tenant's sole cost and expense, carry such insurance as Tenant desires for Tenant's protection with respect to personal property of Tenant or business interruption.

18.6. Each party and its insurers hereby waive any and all rights of recovery or subrogation against the other party with respect to any loss, damage, claims, suits or demands, howsoever caused, that are covered, or should have been covered, by valid and collectible insurance, including any deductibles or self-insurance maintained thereunder. If necessary, either party agrees to endorse the required insurance policies to permit waivers of subrogation as required hereunder and hold harmless and indemnify the other party for any loss or expense incurred as a result of a failure to obtain such waivers of subrogation from insurers. Such waivers shall continue so long as the parties' insurers so permit. Any termination of such a waiver shall be by written notice to the other, containing a description of the circumstances hereinafter set forth in this Section. Each party, upon obtaining the policies of insurance required or permitted under this Lease, shall give notice to its insurance carriers that the foregoing waiver of subrogation is contained in this Lease. If such policies shall not be obtainable with such waiver or shall be so obtainable only at a premium over that chargeable without such waiver, then Tenant shall notify Landlord of such conditions.

18.7. Landlord may require insurance policy limits required under this Lease to be raised to conform with requirements of Landlord's lender, if any.

18.8. Any costs incurred by Landlord pursuant to this Section shall be included as Operating Expenses payable by Tenant pursuant to this Lease.

18.9. The provisions of this Section shall survive the expiration or earlier termination of this Lease.

19. Subordination and Attornment.

19.1. This Lease shall be subject and subordinate to the lien of any mortgage, deed of trust, or lease in which Landlord is tenant now or hereafter in force against the Premises or any portion thereof and to all advances made or hereafter to be made upon the security thereof without the necessity of the execution and delivery of any further instruments on the part of Tenant to effectuate such subordination.

19.2. Notwithstanding the foregoing, Tenant shall execute and deliver upon demand such further instrument or instruments evidencing such subordination of this Lease to the lien of any such mortgage or mortgages or deeds of trust or lease in which Landlord is tenant as may be required by Landlord provided such party recognizes Tenant's rights under the Lease. If any such mortgagee, beneficiary or landlord under a lease wherein Landlord is tenant (each, a "**Mortgagee**") so elects, however, this Lease shall be deemed prior in lien to any such lease, mortgage, or deed of trust upon or including the Premises regardless of date and Tenant shall execute a statement in writing to such effect at Landlord's request. If Tenant fails to execute any document required from Tenant under this Section within ten (10) business days after written request therefor, Tenant hereby constitutes and appoints Landlord or its special attorney-in-fact to execute and deliver any such document or documents in the name of Tenant. Such power is coupled with an interest and is irrevocable.

19.3. Upon written request of Landlord and opportunity for Tenant to review, Tenant agrees to execute any Lease amendments not materially altering the terms of this Lease, if reasonably required by a Mortgagee incident to the financing of the real property of which the Premises constitute a part.

19.4. In the event any proceedings are brought for foreclosure, or in the event of the exercise of the power of sale under any mortgage or deed of trust made by Landlord covering the Premises, Tenant shall at the election of the purchaser at such foreclosure or sale attorn to the purchaser upon any such foreclosure or sale and recognize such purchaser as Landlord under this Lease provided Tenant's rights under the Lease are not disturbed so long as Tenant is not default of its obligations hereunder.

20. Defaults and Remedies.

20.1. Late payment by Tenant to Landlord of Rent and other sums due shall cause Landlord to incur costs not contemplated by this Lease, the exact amount of which shall be extremely difficult and impracticable to ascertain. Such costs include processing and accounting charges and late charges that may be imposed on Landlord by the terms of any mortgage or trust deed covering the Premises. Therefore, if any installment of Rent due from Tenant is not received by Landlord within five (5) days after the date such payment is due, Tenant shall pay to Landlord (a) an additional sum of [***] percent ([***]%) of the overdue Rent as a late charge plus (b) interest at an annual rate (the "**Default Rate**") equal to the lesser of (a) [***] percent ([***]%) and (b) the highest rate permitted by Applicable Laws. The parties agree that this late charge represents a fair and reasonable estimate of the costs that Landlord shall incur by reason of late payment by Tenant and shall be payable as Additional Rent to Landlord due with the next installment of Rent. Landlord's acceptance of any Additional Rent (including a late charge or any other amount hereunder) shall not be deemed an extension of the date that Rent is due or prevent Landlord from pursuing any other rights or remedies under this Lease, at law or in equity.

20.2. No payment by Tenant or receipt by Landlord of a lesser amount than the Rent payment herein stipulated shall be deemed to be other than on account of the Rent, nor shall any endorsement or statement on any check or any letter accompanying any check or payment as Rent be deemed an accord and satisfaction, and Landlord may accept such check or payment without prejudice to Landlord's right to recover the balance of such Rent or pursue any other remedy provided in this Lease or in equity or at law.

20.3. If Tenant fails to pay any sum of money required to be paid by it hereunder or perform any other act on its part to be performed hereunder, in each case within the applicable cure period (if any) described herein, then Landlord may (but shall not be obligated to), without waiving or releasing Tenant from any obligations of Tenant, make such payment or perform such act. Notwithstanding the foregoing, in the event of an emergency, Landlord shall have the right to enter the Premises and act in accordance with its rights as provided elsewhere in this

Lease. Tenant shall pay to Landlord as Additional Rent all sums so paid or incurred by Landlord, together with interest at the Default Rate, computed from the date such sums were paid or incurred.

20.4. The occurrence of any one or more of the following events shall constitute a "**Default**" hereunder by Tenant:

20.4.1. Tenant abandons or vacates the Premises;

20.4.2. Tenant fails to make any payment of Rent, as and when due, where such failure shall continue for a period of five (5) days after written notice thereof from Landlord to Tenant;

20.4.3. Tenant fails to observe or perform any obligation or covenant contained herein that is not otherwise described in this Section 20.4, and such failure (if susceptible to cure) is not cured within thirty (30) days after Tenant's receipt of written notice from Landlord of such default, provided that if such default cannot reasonably be cured within thirty (30) days, then Tenant shall not be in Default so long as Tenant commences to cure such default within such thirty (30) day period and thereafter pursues such cure to completion, provided such cure period shall in no event exceed ninety (90) days;

20.4.4. Tenant makes an assignment for the benefit of creditors, or a receiver, trustee or custodian is appointed to or does take title, possession or control of all or substantially all of Tenant's or any Guarantor's assets;

20.4.5. Tenant or any Guarantor files a voluntary petition under the United States Bankruptcy Code or any successor statute (as the same may be amended from time to time, the "**Bankruptcy Code**") or an order for relief is entered against Tenant or any Guarantor (as applicable) pursuant to a voluntary or involuntary proceeding commenced under any chapter of the Bankruptcy Code;

20.4.6. Any involuntary petition is filed against Tenant or any Guarantor under any chapter of the Bankruptcy Code and is not dismissed within one hundred twenty (120) days;

20.4.7. A default exists under any Guaranty executed by a Guarantor in favor of Landlord, after the expiration of any applicable notice and cure periods;

20.4.8. Tenant's interest in this Lease is attached, executed upon or otherwise judicially seized and such action is not released within one hundred twenty (120) days of the action;

20.4.9. A governmental authority seizes any part of the Property seeking forfeiture, whether or not a judicial forfeiture proceeding has commenced;

20.4.10. A final, appealable judgment having the effect of establishing that Tenant's operation violates Landlord's contractual obligations (i) pursuant to any private covenants of record restricting Landlord's Building containing the Premises or (ii) of good faith and fair dealing to any third party, including other tenants of the Building containing the Premises or occupants or owners of any other building within the Project; or

20.4.11. An event occurs that results in any insurance carrier that provides insurance coverage with respect to any aspect of the Project providing notice to the Landlord of its intent to cancel such insurance coverage, and Landlord, exercising commercially reasonable efforts, is not able to procure comparable replacement insurance coverage that is reasonably acceptable to Landlord prior to the actual cancellation date specified in the notice from the cancelling insurance carrier.

20.5. Notices given under this Section shall specify the alleged default and shall demand that Tenant perform the provisions of this Lease or pay the Rent that is in arrears, as the case may be, within the applicable period of time, or quit the Premises. No such notice shall be deemed a forfeiture or a termination of this Lease unless Landlord elects otherwise in such notice.

20.6. In the event of a Default by Tenant, and at any time thereafter, with or without notice or demand and without limiting Landlord in the exercise of any right or remedy that Landlord may have under Applicable Laws or this Lease, Landlord has the right to do any or all of the following:

20.6.1. Halt any Tenant Improvements or Alterations and order Tenant's contractors to stop work;

20.6.2. Terminate Tenant's right to possession of the Premises by written notice to Tenant or by any lawful means, in which case Tenant shall immediately surrender possession of the Premises to Landlord. In such event, Landlord shall have the immediate right to re-enter and remove all persons and property, and such property may be removed and stored elsewhere at the cost and for the account of Tenant, all without service of notice or resort to legal process and without being deemed guilty of trespass or becoming liable for any loss or damage; and

20.6.3. Terminate this Lease, in which event Tenant shall immediately surrender possession of the Premises to Landlord. In such event, Landlord shall have the immediate right to re-enter and remove all persons and property, and such property may be removed and stored elsewhere at the cost and for the account of Tenant, pursuant to legal process and without being deemed guilty of trespass or becoming liable for any loss or damage. In the event that Landlord shall elect to so terminate this Lease, then Landlord shall be entitled to recover from Tenant all damages incurred by Landlord by reason of Tenant's default, including:

20.6.3.1. The sum of: (i) the worth at the time of award (computed by allowing interest at the Default Rate) of any unpaid Rent that had accrued at the time of such termination; plus (ii) the worth at the time of award of the amount by which the unpaid Rent that would have accrued during the period commencing with termination of the Lease and ending at the time of award exceeds that portion of the loss of Landlord's rental income from the Premises that Tenant proves to Landlord's reasonable satisfaction could have been reasonably avoided; plus; (iii) the worth at the time of award of the amount by which the unpaid Rent for the balance of the Term after the time of award exceeds that portion of the loss of Landlord's rental income from the Premises that Tenant proves to Landlord's reasonable satisfaction could have been reasonably avoided; plus (iv) any other amount necessary to compensate Landlord for all the detriment caused by Tenant's failure to perform its obligations under this Lease or that in the ordinary course of things would be likely to result therefrom, including the cost of restoring the Premises to the condition required under the terms of this Lease, including any rent payments not otherwise chargeable to Tenant (e.g., during any "free" rent period or rent holiday); plus (v) At Landlord's election, such other amounts in addition to or in lieu of the foregoing as may be permitted from time to time by Applicable Laws; or

20.6.3.2. At Landlord's election, as minimum liquidated damages in addition to any (A) amounts paid or payable to Landlord pursuant to Section 20.6.3.1.(i) prior to such election and (B) costs of restoring the Premises to the condition required under the terms of this Lease, an amount (the "**Election Amount**") equal to either (Y) the positive difference (if any, and measured at the time of such termination) between (1) the then-present value of the total Rent and other benefits that would have accrued to Landlord under this Lease for the remainder of the Term if Tenant had fully complied with the Lease minus (2) the then-present cash rental value of the Premises as determined by Landlord for what would be the then-unexpired Term if the Lease remained in effect, computed using the discount rate of the Federal Reserve Bank of San Francisco at the time of the award plus one (1) percentage point (the "**Discount Rate**") or (Z) twelve (12) months (or such lesser number of months as may then be remaining in the Term) of Base Rent and Additional Rent at the rate last payable by Tenant pursuant to this Lease, in either case as Landlord specifies in such election. Landlord and Tenant agree that the Election Amount represents a reasonable forecast of the minimum damages expected to occur in the event of a breach, taking into account the uncertainty, time and cost of determining elements relevant to actual damages, such as fair market rent, time and costs that may be required to re-lease the Premises, and other factors; and that the Election Amount is not a penalty.

20.7. In addition to any other remedies available to Landlord at law or in equity and under this Lease, Landlord may continue this Lease in effect after Tenant's Default or abandonment and recover Rent as it becomes due. In addition, Landlord shall not be liable in any way whatsoever for its failure or refusal to relet the Premises. For purposes of this Section, the following acts by Landlord will not constitute the termination of Tenant's right to

possession of the Premises: Acts of maintenance or preservation or efforts to relet the Premises, including alterations, remodeling, redecorating, repairs, replacements or painting as Landlord shall consider advisable for the purpose of reletting the Premises or any part thereof; or the appointment of a receiver upon the initiative of Landlord to protect Landlord's interest under this Lease or in the Premises.

20.8. Notwithstanding the foregoing, in the event of a Default by Tenant, Landlord may elect at any time to terminate this Lease and to recover damages to which Landlord is entitled.

20.9. If Landlord does not elect to terminate this Lease as provided in this Section 20, then Landlord may, from time to time, recover all Rent as it becomes due under this Lease. At any time thereafter, Landlord may elect to terminate this Lease and to recover damages to which Landlord is entitled.

20.10. All of Landlord's rights, options and remedies hereunder shall be construed and held to be nonexclusive and cumulative. Notwithstanding any provision of this Lease to the contrary, in no event shall Landlord be required to mitigate its damages with respect to any default by Tenant, except as required by Applicable Laws. Any such obligation imposed by Applicable Laws upon Landlord to relet the Premises after any termination of this Lease shall be subject to the reasonable requirements of Landlord to lease to high quality tenants on such terms as Landlord may from time to time deem appropriate in its discretion. Landlord shall not be obligated to relet the Premises to any party (i) reasonably unacceptable to a Lender, (ii) that desires to change the Permitted Use, or (iii) that desires to lease the Premises for less than the remaining Term.

20.11. To the extent permitted by Applicable Laws, Tenant waives any and all rights of redemption granted by or under any present or future Applicable Laws if Tenant is evicted or dispossessed for any cause, or if Landlord obtains possession of the Premises due to Tenant's default hereunder or otherwise.

20.12. Landlord shall not be in default or liable for damages under this Lease unless Landlord fails to perform obligations required of Landlord within thirty (30) days after written notice from Tenant, or if the failure to perform such obligation cannot be reasonably cured within thirty (30) days, within such time as may be reasonably required to perform such obligation provided that Landlord commences and diligently pursues such cure within the first thirty (30) days. In no event shall Tenant have the right to terminate or cancel this Lease or to withhold or abate rent or to set off any Claims against Rent as a result of any default or breach by Landlord of any of its covenants, obligations, representations, warranties or promises hereunder, except as may otherwise be expressly set forth in this Lease.

20.13. In the event of any default by Landlord, Tenant shall give notice by registered or certified mail to any (a) beneficiary of a deed of trust or (b) mortgagee under a mortgage covering the Premises or any portion thereof and to any landlord of any lease of land upon or within which the Premises are located, and shall offer such beneficiary, mortgagee or landlord a reasonable opportunity to cure the default, including time to obtain possession of the Premises by power of sale or a judicial action if such should prove necessary to effect a cure; provided that Landlord shall furnish to Tenant in writing, upon written request by Tenant, the names and addresses of all such persons who are to receive such notices.

21. Damage or Destruction.

21.1. Tenant's Obligation to Rebuild. If the Premises are damaged or destroyed, Tenant shall immediately provide notice thereof to Landlord, and shall promptly thereafter deliver to Landlord Tenant's good faith estimate of the time it will take to repair and rebuild the Premises (the "Estimated Time For Repair"). Subject to the other provisions of this Section 21, Tenant shall promptly and diligently repair and rebuild the Premises in accordance with this Section 21 unless Landlord or Tenant terminates this Lease in accordance with Section 21.2.

21.2. Termination.

21.2.1. Landlord's Right to Terminate.

21.2.1.1. Landlord shall have the right to terminate this Lease following damage to or destruction of all or a substantial portion of the Premises if any of the following occurs (each, a "**Termination Condition**"): (i) insurance proceeds, together with additional amounts Tenant agrees to contribute under this Section 21, are not confirmed to be available to Landlord, within 90 days following the date of damage, to pay 100% of the cost to fully repair the damaged Premises, excluding the deductible for which Tenant shall also be responsible for paying as an Operating Expense; (ii) based upon the Estimated Time For Repair, the Premises cannot, with reasonable diligence, be fully repaired by Tenant within eighteen (18) months after the date of the damage or destruction; (iii) the Premises cannot be safely repaired because of the presence of hazardous factors, including, but not limited to, earthquake faults, chemical waste and other similar dangers; (iv) subject to the terms and conditions of Section 21.2.1.1. hereof, all or a substantial portion of the Premises are destroyed or damaged during the last 24 months of the Term; or (v) Tenant is in Default at the time of such damage or destruction past any period of notice and cure as elsewhere provided in this Lease. For purposes of this Section 21.2, a "substantial portion" of the Premises shall be deemed to be damaged or destroyed if the Premises is rendered unsuitable for the continued use and occupancy of Tenant's business substantially in the same manner conducted prior to the event causing the damage or destruction.

21.2.1.2. If all or a substantial portion of the Premises are destroyed or damaged within the last twenty-four (24) months of the initial Term, or within the last twenty-four (24) months of the first Extension Period under this Lease, and Landlord desires to terminate this Lease under Section 21.2.1.1. hereof, Landlord shall deliver a Termination Notice to Tenant pursuant to Section 21.2.3 below and Tenant shall have a period of thirty (30) days after receipt of the Termination Notice ("**Tenant's Early Option Period**") to exercise its option to extend the initial Term or the first Extension Period, as applicable, by providing Landlord with written notice of Tenant's exercise of its respective option prior to the expiration of Tenant's Early Option Period. If Tenant exercises its option rights under the immediately preceding sentence, the Termination Notice shall be deemed rescinded and Tenant shall proceed to repair and rebuild the Premises in accordance with the other provisions of this Section 21. If Tenant fails to deliver such written notice to Landlord prior to the end of Tenant's Early Option Period, then Tenant shall be deemed to have waived its option to extend the Term, and the last day of Tenant's Early Option Period shall be deemed to be the date of the occurrence of the Termination Condition under Section 21.2.1.1.

21.2.2. Tenant's Right to Terminate. Tenant shall have the right to terminate this Lease following damage to or destruction of all or a substantial portion of the Premises if the Premises are destroyed or damaged during the last twenty-four (24) months of the Term or any Extension, which termination shall be deemed to constitute a Termination Condition.

21.2.3. Exercise of Termination Right. If a party elects to terminate this Lease and has the right to so terminate, such party will give the other party written notice of its election to terminate ("**Termination Notice**") within thirty (30) days after the occurrence of the applicable Termination Condition, and this Lease will terminate fifteen (15) days after the receiving party's receipt of such Termination Notice, except in the case of a termination by Landlord under Section 21.2.1.1., in which case this Lease will terminate fifteen (15) days after expiration of the Tenant Early Option Period if Tenant timely fails to exercise timely Tenant's option to extend the Term. If this Lease is terminated pursuant to Section 21.2, Landlord shall, subject to the rights of its lender(s), be entitled to receive and retain all the insurance proceeds resulting from such damage, including rental loss insurance, except for those proceeds payable under policies obtained by Tenant which specifically insure Tenant's personal property, trade fixtures and machinery.

21.3. Tenant's Obligation to Repair. If Tenant is required to repair or rebuild any damage or destruction of the Premises under Section 21.1, then Tenant shall (a) submit its plans to repair such damage and reconstruct the Premises to Landlord for review and approval, which approval shall not be unreasonably withheld; (b) diligently repair and rebuild the Premises in the same or better condition and with the same or better quality of materials as the condition of the Premises as of the Commencement Date, and in a manner that is consistent with the plans and

specifications approved by Landlord; (c) obtain all permits and governmental approvals necessary to repair or reconstruct the Premises (which permits shall not contain any conditions that are materially more restrictive than the permits in existence on the date hereof); (d) cause all work to be performed only by qualified contractors that are reasonably approved by Landlord; (e) allow Landlord and its consultants and agents to enter the Premises at all reasonable times to inspect the Premises and Tenant's ongoing work and cooperate reasonably in good faith with their effort to ensure that the work is proceeding in a manner that is consistent with this Lease; (f) comply with all applicable laws and permits in connection with the performance of such work; (g) timely pay all of its consultants, suppliers and other contractors in connection with the performance of such work; (h) notify Landlord if Tenant receives any notice of any default or any violation of any applicable law or any permit or similar notice in connection with such work; (i) deliver as-built plans for the Premises within thirty (30) days after the completion of such repair and restoration; (j) ensure that Landlord has fee simple title to the Premises during such work without any claim by any contractor or other party; (k) maintain such insurance as Landlord may reasonably require (including insurance in the nature of builders' risk insurance) and (l) comply with such other conditions as Landlord may reasonably require. In addition, Tenant shall, at its expense, replace or fully repair all of Tenant's personal property and any alterations installed by Tenant existing at the time of such damage or destruction that are not otherwise covered by landlord’s insurance for the Building. To the fullest extent permitted by law, Tenant shall indemnify, protect, defend and hold Landlord (and its employees and agents) harmless from and against any and all claims, costs, expenses, suits, judgments, actions, investigations, proceedings and liabilities arising out of or in connection with Tenant's obligations under this Section 21, including, without limitation, any acts, omissions or negligence in the making or performance of any such repairs or replacements. In the event Tenant does not repair and rebuild the Premises pursuant to this Section 21, Tenant shall be in breach, and Landlord shall have the right to retain all casualty insurance proceeds and condemnation proceeds.

21.4. Application of Insurance Proceeds for Repair and Rebuilding. Landlord shall cause the insurance proceeds (the "**Insurance Proceeds**") on account of such damage or destruction to be held by Landlord and disbursed as follows:

21.4.1. Minor Restorations. If (i) the estimated cost of restoration is less than [***] Dollars ($[***]), (ii) prior to commencement of restoration, no Default shall exist and no mechanics' or materialmen's liens shall have been filed and remain undischarged, (iii) the architects, contracts, contractors, plans and specifications for the restoration shall have been approved by Landlord (which approval shall not be unreasonably withheld or delayed), and (iv) Landlord shall be provided with reasonable assurance against mechanics' liens, accrued or incurred, as Landlord or its lenders may reasonably require and such other documents and instruments as Landlord or its lenders may reasonably require, then Landlord shall make available that portion of the Insurance Proceeds to Tenant for application to pay the costs of restoration incurred by Tenant and Tenant shall promptly complete such restoration.

21.4.2. Other Than Minor Restorations. If the estimated cost of restoration is equal to or exceeds [***] Dollars ($[***]), and if Tenant provides evidence satisfactory to Landlord that sufficient funds are available to restore the Premises, Landlord shall make disbursements from the available Insurance Proceeds from time to time in an amount not exceeding the cost of the work completed since the date covered by the last disbursement, upon receipt of (a) satisfactory evidence, including architect's certificates, of the stage of completion, of the estimated cost of completion and of performance of the work to date in a good and workmanlike manner in accordance with the contracts, plans and specifications, (b) reasonable assurance against mechanics' or materialmen's liens, accrued or incurred, as Landlord or its lenders may reasonably require, (c) contractors' and subcontractors' sworn statements, (d) a satisfactory bring-to-date of title insurance, (e) performance and payment bonds reasonably acceptable to Landlord in an amount and form, and from a surety, reasonably acceptable to Landlord, and naming Landlord as an additional obligee, (f) such other documents and instruments as Landlord or its lenders may reasonably require, and (g) other evidence of cost and payment so that Landlord can verify that the amounts disbursed from time to time are represented by work that is completed, in place and free and clear of mechanics' lien claims.

21.4.3. Requests for Disbursements. Requests for disbursement shall be made no more frequently than monthly and shall be accompanied by a certificate of Tenant describing in detail the work for which payment is requested, stating the cost incurred in connection therewith and stating that Tenant has not previously received

payment for such work; the certificate to be delivered by Tenant upon completion of the work shall, in addition, state that the work has been completed and complies with the applicable requirements of this Lease. Landlord may retain 5% of each requisition until the restoration is fully completed, provided that Landlord shall release retainage as to specific trades once their portion of the restoration work is completed. In addition, Landlord may withhold from amounts otherwise to be paid to Tenant, any amount that is necessary in Landlord's reasonable judgment to protect Landlord from any potential loss due to work that is improperly performed or claims by Tenant's contractors and consultants.

21.4.4. Costs in Excess of Insurance Proceeds. In addition, prior to commencement of restoration and at any time during restoration, if the estimated cost of restoration, as determined by the evaluation of an independent engineer acceptable to Landlord and Tenant, exceeds the amount of the Insurance Proceeds, Tenant will provide evidence satisfactory to Landlord that the amount of such excess will be available to restore the Premises. Any Insurance Proceeds remaining upon completion of restoration shall be refunded to Tenant up to the amount of Tenant's payments pursuant to the immediately preceding sentence. If no such refund is required, any sum of Insurance Proceeds remaining upon completion of restoration shall be paid to Landlord. In the event Landlord and Tenant cannot agree on an independent engineer, an independent engineer designated by Tenant and an independent engineer designated by Landlord shall within five (5) business days select an independent engineer licensed to practice in Michigan who shall resolve such dispute within ten (10) business days after being retained by Landlord. All fees, costs and expenses of such third engineer so selected shall be shared equally by Landlord and Tenant.

21.5. Abatement of Rent. In the event of repair, reconstruction and restoration as provided in this Section, all Rent to be paid by Tenant under this Lease shall be abated proportionately based on the extent to which Tenant's use of the Premises is impaired during the period of such repair, reconstruction or restoration, unless Landlord provides Tenant with other space during the period of repair, reconstruction and restoration that, in Tenant's reasonable opinion, is suitable for the temporary conduct of Tenant's business; provided, however, that the amount of such abatement shall be reduced by the amount of Rent that is received by Tenant as part of the business interruption or loss of rental income with respect to the Premises from the proceeds of business interruption or loss of rental income insurance. Tenant shall not otherwise be entitled to any compensation or damages from Landlord for loss of the use of the Premises, damage to Tenant's personal property or any inconvenience occasioned by such damage, repair or restoration.

21.6. Replacement Cost. The determination in good faith by Landlord of the estimated cost of repair of any damage, of the replacement cost, or of the time period required for repair, based upon written quotes or estimates from applicable insurance adjusters, architects or general contractors after an independent bidding process shall be conclusive for purposes of this Section 21.

21.7. This Section 21 sets forth the terms and conditions upon which this Lease may terminate in the event of any damage or destruction. Accordingly, the parties hereby waive the provisions of any Applicable Laws (and any successor statutes) permitting the parties to terminate this Lease as a result of any damage or destruction.

22. Eminent Domain.

22.1. In the event (a) the whole of the Premises or (b) such part thereof as shall substantially interfere with Tenant's use and occupancy of the Premises for the Permitted Use shall be taken for any public or quasi-public purpose by any lawful power or authority by exercise of the right of appropriation, condemnation or eminent domain, or sold to prevent such taking, Tenant or Landlord may terminate this Lease effective as of the date possession is required to be surrendered to such authority, except with regard to (y) items occurring prior to the taking and (z) provisions of this Lease that, by their express terms, survive the expiration or earlier termination hereof.

22.2. In the event of a partial taking of the Premises for any public or quasi-public purpose by any lawful power or authority by exercise of right of appropriation, condemnation, or eminent domain, or sold to prevent such taking, then, without regard to whether any portion of the Premises occupied by Tenant was so taken, Landlord may elect to terminate this Lease (except with regard to (a) items occurring prior to the taking and (b) provisions of

this Lease that, by their express terms, survive the expiration or earlier termination hereof) as of such taking if such taking is, in Landlord's sole but reasonable opinion, of a material nature such as to make it uneconomical to continue use of the unappropriated portion for purposes of renting space for the Permitted Use.

22.3. Tenant shall be entitled to any award that is specifically awarded as compensation for (a) the taking of Tenant's personal property that was installed at Tenant's expense and (b) the costs of Tenant moving to a new location. Except as set forth in the previous sentence, any award for such taking shall be the property of Landlord.

22.4. If, upon any taking of the nature described in this Section, this Lease continues in effect, then Landlord shall promptly proceed to restore the Premises to substantially their same condition prior to such partial taking. To the extent such restoration is infeasible, as determined by Landlord in its sole and absolute discretion, the Rent shall be decreased proportionately to reflect the loss of any portion of the Premises no longer available to Tenant.

22.5. This Section 22 sets forth the terms and conditions upon which this Lease may terminate in the event of any damage or destruction. Accordingly, the parties hereby waive the provisions of any Applicable Laws (and any successor statutes) permitting the parties to terminate this Lease as a result of any damage or destruction.

23. Surrender. At least thirty (30) days prior to Tenant's surrender of possession of any part of the Premises, Tenant shall provide Landlord with a facility decommissioning and Hazardous Materials closure plan for the Premises ("**Exit Survey**") prepared by an independent third party state-certified professional with appropriate expertise, which Exit Survey must be reasonably acceptable to Landlord. In addition, at least ten (10) days prior to Tenant's surrender of possession of any part of the Premises, Tenant shall (a) provide Landlord with written evidence of all appropriate governmental releases if so required to be obtained by Tenant in accordance with Applicable Laws, including laws pertaining to the surrender of the Premises, and (b) conduct a site inspection with Landlord. In addition, Tenant agrees to remain responsible after the surrender of the Premises for the remediation of any recognized environmental conditions set forth in the Exit Survey and comply with any recommendations set forth in the Exit Survey. Tenant's obligations under this Section shall survive the expiration or earlier termination of the Lease. The provisions of this Section 23 shall survive the termination or expiration of this Lease, and no surrender of possession of any part of the Premises shall release Tenant from any of its obligations hereunder, unless such surrender is accepted in writing by Landlord.

24. Bankruptcy. In the event a debtor, trustee or debtor in possession under the Bankruptcy Code, or another person with similar rights, duties and powers under any other Applicable Laws, proposes to cure any default under this Lease or to assume or assign this Lease and is obliged to provide adequate assurance to Landlord that (a) a default shall be cured, (b) Landlord shall be compensated for its damages arising from any breach of this Lease and (c) future performance of Tenant's obligations under this Lease shall occur, then such adequate assurances shall include any or all of the following, as designated by Landlord in its sole and absolute discretion: (i) those acts specified in the Bankruptcy Code or other Applicable Laws as included within the meaning of "adequate assurance," even if this Lease does not concern a facility described in such Applicable Laws; (ii) a prompt cash payment to compensate Landlord for any monetary defaults or actual damages arising directly from a breach of this Lease; (iii) a cash deposit in an amount at least equal to the then-current amount of the Security Deposit; or (iv) the assumption or assignment of all of Tenant's interest and obligations under this Lease.

25. Brokers. Landlord and Tenant mutually represent and warrant that neither has had any dealings with any real estate broker or agent in connection with the negotiation of this Lease and that neither knows of any real estate broker or agent that is or might be entitled to a commission in connection with this Lease. Landlord and Tenant mutually agree to indemnify, save, defend (at the indemnified party's option and with counsel reasonably acceptable to the indemnified party) and hold the indemnified party harmless from any and all cost or liability for compensation claimed by any broker or agent employed or engaged by Landlord or Tenant or claiming to have been employed or engaged by Landlord or Tenant. The provisions of this Section 25 shall survive the expiration or termination of this Lease.

27. Definition of Landlord. With regard to obligations imposed upon Landlord pursuant to this Lease, the term "**Landlord**," as used in this Lease, shall refer only to Landlord or Landlord's then-current successor-in-interest. In the event of any transfer, assignment or conveyance of Landlord's interest in this Lease or in Landlord's fee title to or leasehold interest in the Property, as applicable, Landlord herein named (and in case of any subsequent transfers or conveyances, the subsequent Landlord) shall be automatically freed and relieved, from and after the date of such transfer, assignment or conveyance, from all liability for the performance of any covenants or obligations contained in this Lease arising after the date of conveyance to be performed by Landlord and, without further agreement, the transferee, assignee or conveyee of Landlord's in this Lease or in Landlord's fee title to or leasehold interest in the Property, as applicable, shall be deemed to have assumed and agreed to observe and perform any and all covenants and obligations of Landlord hereunder during the tenure of its interest in the Lease or the Property. Landlord or any subsequent Landlord may transfer its interest in the Premises or this Lease without Tenant's consent.

28. Limitation of Landlord's Liability. If Landlord is in default under this Lease and, as a consequence, Tenant recovers a monetary judgment against Landlord, the judgment shall be satisfied only out of (a) the proceeds of sale received on execution of the judgment and levy against the right, title and interest of Landlord in the Premises, (b) rent or other income from such real property receivable by Landlord or (c) the consideration received by Landlord from the sale, financing, refinancing or other disposition of all or any part of Landlord's right, title or interest in the Premises. Neither Landlord nor any of its affiliates, nor any of their respective partners, shareholders, directors, officers, employees, members or agents shall be personally liable for Landlord's obligations or any deficiency under this Lease. No partner, shareholder, director, officer, employee, member or agent of Landlord or any of its affiliates shall be sued or named as a party in any suit or action. No partner, shareholder, director, officer, employee, member or agent of Landlord or any of its affiliates shall be required to answer or otherwise plead to any service of process, and no judgment shall be taken or writ of execution levied against any partner, shareholder, director, officer, employee, member or agent of Landlord or any of its affiliates. Each of the covenants and agreements of this Section 28 shall be applicable to any covenant or agreement either expressly contained in this Lease or imposed by Applicable Laws and shall survive the expiration or earlier termination of this Lease.

29. Control by Landlord. Landlord reserves full control over the Premises to the extent not inconsistent Michigan law and regulation or with Tenant's enjoyment of the same as provided by this Lease; provided, however, that such rights shall be exercised in a way that does not materially adversely affect Tenant's beneficial use and occupancy of the Premises, including the Permitted Use and Tenant's access to the Premises. Tenant shall, at Landlord's request, promptly execute such further documents as may be reasonably appropriate to assist Landlord in the performance of its obligations hereunder; provided that Tenant need not execute any document that creates additional liability for Tenant or that deprives Tenant of the quiet enjoyment and use of the Premises as provided for in this Lease. Landlord may, upon twenty-four (24) hours' prior notice (which may be oral or by email to the office manager or other Tenant-designated individual at the Premises; but provided that no time restrictions shall apply or advance notice be required if an emergency necessitates immediate entry), enter the Premises to (v) inspect the same and to determine whether Tenant is in compliance with its obligations hereunder, (w) supply any service Landlord is required to provide hereunder, (x) post notices of nonresponsibility and (y) show the Premises to prospective tenants during the final year of the Term and current and prospective purchasers and lenders at any time (in all situations provided that Landlord's personnel are accompanied by Tenants' authorized personnel in sensitive areas of the Premises). In no event shall Tenant's Rent abate as a result of Landlord's activities pursuant to this Section 29; provided, however, that all such activities shall be conducted in such a manner so as to cause as little interference to Tenant as is reasonably possible. If an emergency necessitates immediate access to the Premises, Landlord may use whatever force is necessary to enter the Premises, and any such entry to the Premises shall not constitute a forcible or unlawful entry to the Premises, a detainer of the Premises, or an eviction of Tenant from the Premises or any portion thereof.

30. Joint and Several Obligations. If more than one person or entity executes this Lease as Tenant, then (i) each of them is jointly and severally liable for the keeping, observing and performing of all of the terms, covenants, conditions, provisions and agreements of this Lease to be kept, observed or performed by Tenant, and such terms, covenants, conditions, provisions and agreements shall be binding with the same force and effect upon each and all of the persons executing this Lease as Tenant; and (ii) the term "**Tenant**," as used in this Lease, shall mean and include each of them, jointly and severally. The act of, notice from/to, refund to, or signature of any one or more of

them with respect to the tenancy under this Lease, including any renewal, extension, expiration, termination or modification of this Lease, shall be binding upon each and all of the persons executing this Lease as Tenant with the same force and effect as if each and all of them had so acted, so given or received such notice or refund, or so signed.

31. Representations. Each of Tenant and Landlord guarantees, warrants and represents that (a) such party is duly incorporated or otherwise established or formed and validly existing under the laws of its state of incorporation, establishment or formation, (b) such party is duly qualified to do business in the state in which the Property is located, (c) such party has full corporate, partnership, trust, association or other appropriate power and authority to enter into this Lease and to perform its obligations hereunder, (d) each person (and all of the persons if more than one signs) signing this Lease on behalf of such party is duly and validly authorized to do so and (e) neither (i) the execution, delivery or performance of this Lease nor (ii) the consummation of the transactions contemplated hereby will violate or conflict with any provision of documents or instruments under which such party is constituted or to which such party is a party. In addition, Tenant guarantees, warrants and represents that none of (x) it, (y) its affiliates or partners nor (z) to the best of its knowledge, its members, shareholders or other equity owners or any of their respective employees, officers, directors, representatives or agents is a person or entity with whom U.S. persons or entities are restricted from doing business under regulations of the Office of Foreign Asset Control ("**OFAC**") of the Department of the Treasury (including those named on OFAC's Specially Designated and Blocked Persons List) or under any statute, executive order (including the September 24, 2001, Executive Order Blocking Property and Prohibiting Transactions with Persons Who Commit, Threaten to Commit, or Support Terrorism) or other similar governmental action.

32. Confidentiality. Tenant shall keep the terms and conditions of this Lease confidential and shall not (a) disclose to any third party any terms or conditions of this Lease or any other Lease-related document (including subleases, assignments, work letters, construction contracts, letters of credit, subordination agreements, non-disturbance agreements, brokerage agreements or estoppels) or (b) provide to any third party an original or copy of this Lease (or any Lease-related document) other than to its attorneys, accountants and other professionals. Notwithstanding the foregoing, confidential information under this Section may be released by Landlord or Tenant under the following circumstances: (x) if required by Applicable Laws or in any judicial proceeding, including with respect to Tenant's permits and licenses required for the Permitted Use; provided that the releasing party has given the other party reasonable notice of such requirement, if feasible, (y) to a party's attorneys, investors, accountants, brokers and other bona fide consultants or advisers; provided such third parties agree to be bound by this Section or (z) to bona fide prospective assignees or subtenants of this Lease; provided they agree in writing to be bound by this Section.

33. Notices. Except as otherwise stated in this Lease, any notice, consent, demand, invoice, statement or other communication required or permitted to be given hereunder shall be in writing and shall be given by (a) personal delivery, (b) overnight delivery with a reputable international overnight delivery service, such as FedEx, or (c) facsimile or email transmission, so long as such transmission is followed within one (1) business day by delivery utilizing one of the methods described in Subsection 33(a) or (b). Any such notice, consent, demand, invoice, statement or other communication shall be deemed delivered (x) upon receipt, if given in accordance with Subsection 33(a); (y) one (1) business day after deposit with a reputable international overnight delivery service, if given if given in accordance with Subsection 33(b); or (z) upon transmission, if given in accordance with Subsection 33(c). Except as otherwise stated in this Lease, any notice, consent, demand, invoice, statement or other communication required or permitted to be given pursuant to this Lease shall be addressed to Tenant at the Premises, or to Landlord or Tenant at the addresses shown in Section 2. Either party may, by notice to the other given pursuant to this Section, specify additional or different addresses for notice purposes.

34. Guaranties. In the event that any entity affiliated with Tenant is formed after the Execution Date which entity conducts business in the cannabis industry (each, a "**New Guarantor**"), Tenant shall promptly cause such New Guarantor to execute a Guaranty in the form attached hereto as Exhibit D and deliver such executed Guaranty to Landlord. Any failure by Tenant to provide such Guaranty within thirty (30) days following the formation of such New Guarantor shall be deemed a material default under this Lease. The obligations of each Guarantor shall be joint and several and Tenant shall cause each Guarantor to execute and deliver such further documentation as may

be reasonably required to confirm such Guarantor’s full and unconditional guaranty of Tenant’s obligations under this Lease.

35. Miscellaneous.

35.1. To induce Landlord to enter into this Lease, Tenant agrees that it shall, upon Landlord's written request and within one-hundred and twenty (120) days after the end of Tenant's financial year, furnish Landlord with a certified copy of Tenant's and Ascend Wellness Holdings, LLC's (or any successor entity thereto, "**Holdco Guarantor**") year-end financial statements for the previous year. Tenant also agrees that it shall, upon Landlord's written request and within forty-five (45) days after the end of Tenant's fiscal quarter, furnish to Landlord compiled financial statements for the quarter of Tenant and Holdco Guarantor. Tenant represents and warrants that all financial statements, records and information furnished by Tenant to Landlord in connection with this Lease are true, correct and complete in all respects and that all financial statements, records and information furnished by Holdco Guarantor to Landlord in connection with this Lease are true, correct and complete in all respects. The provisions of this Section shall not apply at any time while Tenant or Holdco Guarantor (as applicable) is a corporation whose shares are traded on any nationally recognized stock exchange.

35.2. The terms of this Lease are intended by the parties as a final, complete and exclusive expression of their agreement with respect to the terms that are included herein, and may not be contradicted or supplemented by evidence of any other prior or contemporaneous agreement except to the extent that modification is necessary to comply with Michigan law and/or regulation. To the extent that such modification is required, Landlord and Tenant agree to be bound by the terms of this Lease that are compliant and work in good faith, and within a reasonable period of time, to modify the non-compliant terms so that they may be brought into compliance.

35.3. Neither party shall record this Lease.

35.4. Landlord and Tenant have each participated in the drafting and negotiation of this Lease, and the language in all parts of this Lease shall be in all cases construed as a whole according to its fair meaning and not strictly for or against either Landlord or Tenant.

35.5. Except as otherwise expressly set forth in this Lease, each party shall pay its own costs and expenses incurred in connection with this Lease and such party's performance under this Lease; provided that, if either party commences an action, proceeding, demand, claim, action, cause of action or suit against the other party arising out of or in connection with this Lease, then the substantially prevailing party shall be reimbursed by the other party for all reasonable costs and expenses, including reasonable attorneys' fees and expenses, incurred by the substantially prevailing party in such action, proceeding, demand, claim, action, cause of action or suit, and in any appeal in connection therewith (regardless of whether the applicable action, proceeding, demand, claim, action, cause of action, suit or appeal is voluntarily withdrawn or dismissed).

35.6. Time is of the essence with respect to the performance of every provision of this Lease.

35.7. Each provision of this Lease performable by Tenant shall be deemed both a covenant and a condition.

35.8. Notwithstanding anything to the contrary contained in this Lease, Tenant's obligations under this Lease are independent and shall not be conditioned upon performance by Landlord.

35.9. Whenever consent or approval of either party is required, that party shall not unreasonably withhold, condition or delay such consent or approval, except as may be expressly set forth to the contrary.

35.10. Any provision of this Lease that shall prove to be invalid, void or illegal shall in no way affect, impair or invalidate any other provision hereof, and all other provisions of this Lease shall remain in full force and effect and shall be interpreted as if the invalid, void or illegal provision did not exist.

35.11. Each of the covenants, conditions and agreements herein contained shall inure to the benefit of and shall apply to and be binding upon the parties hereto and their respective heirs; legatees; devisees; executors; administrators; and permitted successors and assigns. This Lease is for the sole benefit of the parties and their respective heirs, legatees, devisees, executors, administrators and permitted successors and assigns, and nothing in this Lease shall give or be construed to give any other person or entity any legal or equitable rights. Nothing in this Section shall in any way alter the provisions of this Lease restricting assignment or subletting.

35.12. This Lease shall be governed by, construed and enforced in accordance with the laws of the state in which the Premises are located, without regard to such state's conflict of law principles.

35.13. Landlord covenants that Tenant, upon paying the Rent and performing its obligations contained in this Lease, may peacefully and quietly have, hold and enjoy the Premises, free from any claim by Landlord or persons claiming under Landlord, but subject to all of the terms and provisions hereof, provisions of Applicable Laws and rights of record to which this Lease is or may become subordinate. This covenant is in lieu of any other quiet enjoyment covenant, either express or implied.

35.14. Each of Tenant and Landlord guarantees, warrants and represents to the other party that the individual or individuals signing this Lease have the power, authority and legal capacity to sign this Lease on behalf of and to bind all entities, corporations, partnerships, limited liability companies, joint venturers or other organizations and entities on whose behalf such individual or individuals have signed.

35.15. This Lease may be executed in one or more counterparts, each of which, when taken together, shall constitute one and the same document.

35.16. No provision of this Lease may be modified, amended or supplemented except by an agreement in writing signed by Landlord and Tenant.

35.17. No waiver of any term, covenant or condition of this Lease shall be binding upon Landlord unless executed in writing by Landlord. The waiver by Landlord of any breach or default of any term, covenant or condition contained in this Lease shall not be deemed to be a waiver of any preceding or subsequent breach or default of such term, covenant or condition or any other term, covenant or condition of this Lease.

35.18. To the extent permitted by Applicable Laws, the parties waive trial by jury in any action, proceeding or counterclaim brought by the other party hereto related to matters arising out of or in any way connected with this Lease; the relationship between Landlord and Tenant; Tenant's use or occupancy of the Premises; or any claim of injury or damage related to this Lease or the Premises.

[The remainder of this page is intentionally left blank. Signature page follows.]

IN WITNESS WHEREOF, the parties hereto have duly executed this Lease on the day and year first above written.

LANDLORD:

IIP-MI 3 LLC,
a Delaware limited liability company

By: /s/ Brian Wolfe
Name: Brian Wolfe
Title: Vice President, General Counsel and Secretary

TENANT:

FPAW MICHIGAN LLC,
a Michigan limited liability company

By: /s/ Francis Perullo
Name: Francis Perullo
Title: Manager

EXHIBIT A

PREMISES

Lot 3 and the South 10 feet of Lot 2, also commencing at the Southwest comer of Lot 3, thence North 395.5 feet along the West line of said Lot 3 and 2; thence West 15.65 feet; thence South 395.5 feet parallel with the West line of Lots 2 and 3; thence East 15.65 feet to beginning, Assessor's Plat No. 26, City of Lansing, Ingham County, Michigan, according to the recorded Plat thereof, as recorded in Liber 10, Page(s) 31, Ingham County Records.

ADDRESS: 735 E. Hazel
Lansing, Michigan

EXHIBIT B

TENANT'S PERSONAL PROPERTY

See the items on the Excluded Property Schedule 3.0 in the Purchase Agreement, incorporated by reference herein.

EXHIBIT C

FORM OF TENANT ESTOPPEL CERTIFICATE

To: IIP-MI 3 LLC
11440 West Bernardo Court, Suite 220
San Diego, California 92127
Attention: General Counsel

Re: [PREMISES ADDRESS] (the "Premises") at 735 E. Hazel Street, Lansing, Michigan (the "Property")

The undersigned tenant ("Tenant") hereby certifies to you as follows:

1. Tenant is a tenant at the Property under a lease (the "Lease") for the Premises dated as of [_____], 20[__]. The Lease has not been cancelled, modified, assigned, extended or amended [except as follows: [_____]], and there are no other agreements, written or oral, affecting or relating to Tenant's lease of the Premises or any other space at the Property. The lease term expires on [_____], 20[__].

2. Tenant took possession of the Premises, currently consisting of [_____] square feet, on [_____], 20[__], and commenced to pay rent on [_____], 20[__]. Tenant has full possession of the Premises, has not assigned the Lease or sublet any part of the Premises, and does not hold the Premises under an assignment or sublease[, except as follows: [_____]].

3. All base rent, rent escalations and additional rent under the Lease have been paid through [_____], 20[__]. There is no prepaid rent[, except $[_____]][, and the amount of security deposit is $[_____] [in cash][OR][in the form of a letter of credit]]. Tenant currently has no right to any future rent abatement under the Lease.

4. Base rent is currently payable in the amount of $[_____] per month.

5. All work to be performed for Tenant under the Lease has been performed as required under the Lease and has been accepted by Tenant[, except [_____]], and all allowances to be paid to Tenant, including allowances for tenant improvements, moving expenses or other items, have been paid, except that Tenant has $_____ of Tenant Improvement Allowance remaining.

6. The Lease is in full force and effect, free from default and free from any event that could become a default under the Lease, and Tenant has no claims against the landlord or offsets or defenses against rent, and there are no disputes with the landlord. Tenant has received no notice of prior sale, transfer, assignment, hypothecation or pledge of the Lease or of the rents payable thereunder[, except [_____]].

7. Tenant has no rights or options to purchase the Property.

8. To Tenant's knowledge, no hazardous wastes have been generated, treated, stored or disposed of by or on behalf of Tenant in, on or around the Premises in violation of any environmental laws.

9. The undersigned has executed this Estoppel Certificate with the knowledge and understanding that [INSERT NAME OF LANDLORD, PURCHASER OR LENDER, AS APPROPRIATE] or its assignee is [acquiring the Property/making a loan secured by the Property] in reliance on this certificate and that the undersigned shall be bound by this certificate. The statements contained herein may be relied upon by [INSERT NAME OF PURCHASER OR LENDER, AS APPROPRIATE], IIP-MI 3 LLC, IIP Operating Partnership, LP, Innovative Industrial Properties, Inc., and any [other] mortgagee of the Property and their respective successors and assigns.

[Signature page follows]

Any capitalized terms not defined herein shall have the respective meanings given in the Lease.

Dated this [____] day of [_____], 20[__].

[_____],
a [_____]

By: _____
Name: _____
Title: _____

EXHIBIT D

FORM OF

GUARANTY OF LEASE

This Guaranty of Lease ("**Guaranty**") is executed effective on the ____ day of [_____], 20[__], by [_____], a [_____] ("**Guarantors**"), in favor of IIP-MI 3 LLC, a Delaware limited liability company ("**Landlord**"), whose address for notices is 11440 West Bernardo Court, Suite 220, San Diego, California 92127, Attn: General Counsel.

For good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Guarantor covenants and agrees as follows:

1. **Recitals.** This Guaranty is made with reference to the following recitals of facts which constitute a material part of this Guaranty:

(a) Landlord, as Landlord, and FPAW MICHIGAN LLC, a Michigan limited liability company, as Tenant ("**Tenant**"), entered into that certain Lease dated as of July 2, 2019 (the "**Lease**"), with respect to certain space in the building located at 735 E. Hazel Street, Lansing, Michigan, as more particularly described in the Lease (the "**Leased Premises**").

(b) Guarantor is [DESCRIBE RELATIONSHIP OF GUARANTOR TO TENANT] and is therefore receiving a substantial benefit for executing this Guaranty.

(c) Landlord would not have entered into the Lease with Tenant without having received the Guaranty executed by Guarantor as an inducement to Landlord.

(d) By this Guaranty, Guarantor intends to absolutely, unconditionally and irrevocably guarantee the full, timely, and complete (i) payment of all rent and other sums required to be paid by Tenant under the Lease and any other indebtedness of Tenant, (ii) performance of all other terms, covenants, conditions and obligations of Tenant arising out of the Lease and all damages that may arise as a consequence of any non-payment, non-performance or non-observance of, or non-compliance with, any of the terms, covenants, conditions or other obligations described in the Lease (including, without limitation, all attorneys' fees and disbursements and all litigation costs and expenses reasonably incurred or payable by Landlord or for which Landlord may be responsible or liable, or caused by any such default), and (iii) payment of any and all expenses (including reasonable attorneys' fees and expenses and litigation expenses) incurred by Landlord in enforcing any of the rights under the Lease or this Guaranty within five (5) days after Landlord's demand thereafter (collectively, the "**Guaranteed Obligations**").

2. **Guaranty.** From and after the Execution Date (as such term is defined under the Lease), Guarantor absolutely, unconditionally and irrevocably guarantees, as principal obligor and not merely as surety, to Landlord, the full, timely and unconditional payment and performance, of the Guaranteed Obligations strictly in accordance with the terms of the Lease, as such Guaranteed Obligations may be modified, amended, extended or renewed from time to time. This is a Guaranty of payment and performance and not merely of collection. Guarantor agrees that Guarantor is primarily liable for and responsible for the payment and performance of the Guaranteed Obligations. Guarantor shall be bound by all of the provisions, terms, conditions, restrictions and limitations contained in the Lease which are to be observed or performed by Tenant, the same as if Guarantor was named therein as Tenant with joint and several liability with Tenant, and any remedies that Landlord has under the Lease against Tenant shall apply to Guarantor as well. If Tenant defaults in any Guaranteed Obligation under the Lease, Guarantor shall in lawful money of the United States, pay to Landlord on demand the amount due and owing under the Lease. Guarantor waives any rights to notices of acceptance, modifications, amendment, extension or breach of the Lease. If Guarantor is a natural person, it is expressly agreed that this guaranty shall survive the death of such guarantor and shall continue in effect. The obligations of Guarantor under this Guaranty are independent of the obligations of Tenant or any other guarantor. Guarantor acknowledges that this Guaranty and Guarantor's obligations and liabilities under this Guaranty are and shall at all times continue to be absolute and unconditional in all respects and shall be the separate and independent undertaking of Guarantor without regard to the genuineness, validity, legality

or enforceability of the Lease, and shall at all times be valid and enforceable irrespective of any other agreements or circumstances of any nature whatsoever which might otherwise constitute a defense to this Guaranty and the obligations and liabilities of Guarantor under this Guaranty or the obligations or liabilities of any other person or entity (including, without limitation, Tenant) relating to this Guaranty or the obligations or liabilities of Guarantor hereunder or otherwise with respect to the Lease or to Tenant. Guarantor hereby absolutely, unconditionally and irrevocably waives any and all rights it may have to assert any defense, set-off, counterclaim or cross-claim of any nature whatsoever with respect to this Guaranty or the obligations or liabilities of Guarantor under this Guaranty or the obligations or liabilities of any other person or entity (including, without limitation, Tenant) relating to this Guaranty or the obligations or liabilities of Guarantor under this Guaranty or otherwise with respect to the Lease, in any action or proceeding brought by the holder hereof to enforce the obligations or liabilities of Guarantor under this Guaranty. This Guaranty sets forth the entire agreement and understanding of Landlord and Guarantor, and Guarantor acknowledges that no oral or other agreements, understandings, representations or warranties exist with respect to this Guaranty or with respect to the obligations or liabilities of Guarantor under this Guaranty. The obligations of Guarantor under this Guaranty shall be continuing and irrevocable (a) during any period of time when the liability of Tenant under the Lease continues, and (b) until all of the Guaranteed Obligations have been fully discharged by payment, performance or compliance. If at any time all or any part of any payment received by Landlord from Tenant or Guarantor or any other person under or with respect to the Lease or this Guaranty has been refunded or rescinded pursuant to any court order, or declared to be fraudulent or preferential, or are set aside or otherwise are required to be repaid to Tenant, its estate, trustee, receiver or any other party, including as a result of the insolvency, bankruptcy or reorganization of Tenant or any other party (an "**Invalidated Payment**"), then Guarantor's obligations under the Guaranty shall, to the extent of such Invalidated Payment be reinstated and deemed to have continued in existence as of the date that the original payment occurred. This Guaranty shall not be affected or limited in any manner by whether Tenant may be liable, with respect to the Guaranteed Obligations individually, jointly with other primarily, or secondarily.

3. **No Impairment of Guaranteed Obligations**. Guarantor further agrees that Guarantor's liability for the Guaranteed Obligations shall in no way be released, discharged, impaired or affected or subject to any counterclaim, setoff or deduction by (a) any waiver, consent, extension, indulgence, compromise, release, departure from or other action or inaction of Landlord under or in respect of the Lease or this Guaranty, or any obligation or liability of Tenant, or any exercise or non-exercise of any right, remedy, power or privilege under or in respect to the Lease or this Guaranty, (b) any change in the time, manner or place of payment or performance of the Guaranteed Obligations, (c) the acceptance by Landlord of any additional security or any increase, substitution or change therein, (d) the release by Landlord of any security or any withdrawal thereof or decrease therein, (e) any assignment of the Lease or any subletting of all or any portion of the Leased Premises (with or without Landlord's consent), (f) any holdover by Tenant beyond the term of the Lease (g) any termination of the Lease, (h) any release or discharge of Tenant in any bankruptcy, receivership or other similar proceedings, (i) the impairment, limitation or modification of the liability of Tenant or the estate of Tenant in bankruptcy or of any remedy for the enforcement of Tenant's liability under the Lease resulting from the operation of any present or future provisions of any bankruptcy code or other statute or from the decision in any court, or the rejection or disaffirmance of the Lease in any such proceedings, (j) any merger, consolidation, reorganization or similar transaction involving Tenant, even if Tenant ceases to exist as a result of such transaction, (k) the change in the corporate relationship between Tenant and Guarantor or any termination of such relationship, (l) any change in the direct or indirect ownership of all or any part of the shares in Tenant, or (m) to the extent permitted under applicable law, any other occurrence or circumstance whatsoever, whether similar or dissimilar to the foregoing, which might otherwise constitute a legal or equitable defense or discharge of the liabilities of Guarantor or which might otherwise limit recourse against Guarantor. Guarantor further understands and agrees that Landlord may at any time enter into agreements with Tenant to amend and modify the Lease, and may waive or release any provision or provisions of the Lease, and, with reference to such instruments, may make and enter into any such agreement or agreements as Landlord and Tenant may deem proper and desirable, without in any manner impairing or affecting this Guaranty or any of Landlord's rights hereunder or Guarantor's obligations hereunder, unless otherwise agreed in writing thereunder or under the Lease.

4. **Remedies**.

If Tenant defaults with respect to the Guaranteed Obligations, and if Guarantor does not fulfill Tenant's obligations within a reasonable time period (not to exceed five (5) days with respect to any monetary obligation and thirty (30) days with respect to any non-monetary obligation) upon its receipt of written notice of such default from Landlord, Landlord may at its election proceed immediately against Guarantor, Tenant, or any combination of Tenant, Guarantor, and/or any other guarantor. It is not necessary for Landlord, in order to enforce payment and performance by Guarantor under this Guaranty, first or contemporaneously to institute suit or exhaust remedies against Tenant or other liable for any of the Guaranteed Obligations or to enforce rights against any collateral securing any of it. Guarantor hereby waives any right to require Landlord to join Tenant in any action brought hereunder or to commence any action against or obtain any judgment against Tenant or to pursue any other remedy or enforce any other right. If any portion of the Guaranteed Obligations terminates and Landlord continues to have any rights that it may enforce against Tenant under the Lease after such termination, then Landlord may at its election enforce such rights against Guarantor. Unless and until all Guaranteed Obligations have been fully satisfied, Guarantor shall not be released from its obligations under this Guaranty irrespective of: (i) the exercise (or failure to exercise) by Landlord of any of Landlord's rights or remedies (including, without limitation, compromise or adjustment of the Guaranteed Obligations or any part thereof); or (ii) any release by Landlord in favor of Tenant regarding the fulfillment by Tenant of any obligation under the Lease.

Notwithstanding anything in the foregoing to the contrary, Guarantor hereby covenants and agrees to and with Landlord that Guarantor may be joined in any action by or against Tenant in connection with the Lease. Guarantor also agrees that, in any jurisdiction, it will be conclusively bound by the judgment in any such action by or against Tenant (wherever brought) as if Guarantor were a party to such action even though Guarantor is not joined as a party in such action.

5. **Waivers.** With the exception of the defense of prior payment, performance or compliance by Tenant or Guarantor of or with the Guaranteed Obligations which Guarantor is called upon to pay or perform, or the defense that Landlord's claim against Guarantor is barred by the applicable statute of limitations, Guarantor hereby waives and releases all defenses of the law of guaranty or suretyship to the extent permitted by law.

6. **Rights Cumulative.** All rights, powers and remedies of Landlord under this Guaranty shall be cumulative and in addition to all rights, powers and remedies given to Landlord by law.

7. **Representations and Warranties.** Guarantor hereby represents and warrants that (a) Guarantor has a net worth sufficient to enable Guarantor to promptly perform all of the Guaranteed Obligations as and when they are due; (b) Landlord has made no representation to Guarantor as to the creditworthiness or financial condition of Tenant; (c) Guarantor has full power to execute, deliver and carry out the terms and provisions of this Guaranty and has taken all necessary action to authorize the execution, delivery and performance of this Guaranty; (d) Guarantor's execution and delivery of, and the performance of its obligations under, this Guaranty does not conflict with or violate any of Guarantor's organizational documents, or any contract, agreement or decree which Guarantor is a party to or which is binding on Guarantor; (e) the individual executing this Guaranty on behalf of Guarantor has the authority to bind Guarantor to the terms and conditions of this Guaranty; (f) Guarantor has been represented by counsel of its choice in connection with this Guaranty; (g) this Guaranty when executed and delivered shall constitute the legal, valid and binding obligations of Guarantor enforceable against Guarantor in accordance with its terms; and (h) there is no action, suit, or proceeding pending or, to the knowledge of Guarantor, threatened against Guarantor before or by any governmental authority which questions the validity or enforceability of, or Guarantor's ability to perform under, this Guaranty.

8. **Subordination.** In the event of Tenant's insolvency or the disposition of the assets of Tenant, through bankruptcy, by an assignment for the benefit of creditors, by voluntary liquidation, or otherwise, the assets of Tenant applicable to the payment of all claims of Landlord and/or Guarantor shall be paid to Landlord and shall be first applied by Landlord to the Guaranteed Obligations. Any indebtedness of Tenant now or hereafter held by Guarantor, whether as original creditor or assignee or by way of subrogation, restitution, reimbursement, indemnification or otherwise, is hereby subordinated in right of payment to the Guaranteed Obligations. So long as an uncured event of default exists under the Lease, (a) at Landlord's written request, Guarantor shall cause Tenant to

pay to Landlord all or any part of any funds invested in or loaned to Tenant by Guarantor which Guarantor is entitled to withdraw or collect and (b) any such indebtedness or other amount collected or received by Guarantor shall be held in trust for Landlord and shall forthwith be paid over to Landlord to be credited and applied against the Guaranteed Obligations. Subject to the foregoing, Guarantor shall be entitled to receive from Landlord any amounts that are, from time to time, due to Guarantor in the ordinary course of business. Until all of Tenant's obligations under the Lease are fully performed, Guarantor's right of subrogation against Tenant by reason of any payments, acts or performance by Guarantor under this Guaranty shall be subordinate to the Lease.

9. **Governing Law.** This Guaranty shall be governed by and construed in accordance with the laws of the State of Michigan, United States of America, without regard to principles of conflicts of laws. TO THE FULLEST EXTENT PERMITTED BY LAW, GUARANTOR HEREBY UNCONDITIONALLY AND IRREVOCABLY WAIVES ANY CLAIM TO ASSERT THAT THE LAW OF ANY OTHER JURISDICTION GOVERNS THIS GUARANTY.

10. **Attorneys' Fees.** In the event any litigation or other proceeding ("**Proceeding**") is initiated by any party against any other party to enforce this Guaranty, the prevailing party in such Proceeding shall be entitled to recover from the unsuccessful party all costs, expenses, and actual reasonable attorneys' fees relating to or arising out of such Proceeding.

11. **Modification.** This Guaranty may be modified only by a contract in writing executed by Guarantor and Landlord.

12. **Invalidity.** If any provision of the Guaranty shall be invalid or unenforceable, the remainder of this Guaranty shall not be affected by such invalidity or unenforceability. In the event, and to the extent, that this Guaranty shall be held ineffective or unenforceable by any court of competent jurisdiction, then Guarantor shall be deemed to be a tenant under the Lease with the same force and effect as if Guarantor were expressly named as a co-tenant therein with joint and several liability.

13. **Successors and Assigns.** Unless otherwise agreed in writing or under the Lease, this Guaranty shall be binding upon and shall inure to the benefit of the successors-in-interest and assigns of each party to this Guaranty.

14. **Notices.** Any notice, consent, demand, invoice, statement or other communication required or permitted to be given hereunder shall be in writing and shall be given by (a) personal delivery, (b) overnight delivery with a reputable international overnight delivery service, such as FedEx, or (c) facsimile or email transmission, so long as such transmission is followed within one (1) business day by delivery utilizing one of the methods described in subsections (a) or (b). Any such notice, consent, demand, invoice, statement or other communication shall be deemed delivered (x) upon receipt, if given in accordance with subsection (a); (y) one business (1) day after deposit with a reputable international overnight delivery service, if given if given in accordance with subsection (b); or (z) upon transmission, if given in accordance with subsection (c). Except as otherwise stated in this Guaranty, any notice, consent, demand, invoice, statement or other communication required or permitted to be given pursuant to this Guaranty shall be addressed to Guarantor or Landlord at the address set forth above in the introductory paragraph of this Guaranty. Either party may, by notice to the other given pursuant to this Section, specify additional or different addresses for notice purposes.

15. **Waiver.** Any waiver of a breach or default under this Guaranty must be in a writing that is duly executed by Landlord and shall not be a waiver of any other default concerning the same or any other provision of this Guaranty. No delay or omission in the exercise of any right or remedy shall impair such right or remedy or be construed as a waiver.

16. **Withholding**. Unless otherwise agreed in the Lease, any and all payments by Guarantor to Landlord under this Guaranty shall be made free and clear of and without deduction for any and all present or future taxes, duties, levies, imposts, deductions, assessments, fees, withholdings or similar charges, and all liabilities with respect thereto (collectively, "**Taxes**"). If Guarantor shall be required by any applicable laws to deduct any Taxes from or in respect of any sum payable under this Guaranty to Landlord: (a) the sum payable shall be increased as necessary so that after making all required deductions, the Landlord receives an amount equal to the sum it would have received had

no such deductions been made; (b) Guarantor shall make such deductions; and (c) Guarantor shall pay the full amount deducted to the relevant taxation authority or other authority in accordance with applicable laws.

17. **Financial Condition of Tenant**. Landlord shall have no obligation to disclose or discuss with Guarantor Landlord's assessment of the financial condition of Tenant. Guarantor has adequate means to obtain information from Tenant on a continuing basis concerning the financial condition of Tenant and its ability to perform its Guaranteed Obligations, and Guarantor assumes responsibility for being and keeping informed of Tenant's financial condition and of all circumstances bearing upon the risk of Tenant's failure to perform the Guaranteed Obligations.

18. **Bankruptcy**. So long as the Guaranteed Obligations remain outstanding, Guarantor shall not, without Landlord's prior written consent, commence or join with any other person in commencing any bankruptcy or similar proceeding of or against Tenant. Guarantor's obligations hereunder shall not be reduced, limited, impaired, discharged, deferred, suspended or terminated by any bankruptcy or similar proceeding (voluntary or involuntary) involving Tenant or by any defense that Tenant may have by reason of an order, decree or decision of any court or administrative body resulting from any such proceeding. To the fullest extent permitted by law, Guarantor will permit any trustee in bankruptcy, receiver, debtor in possession, assignee for the benefit of creditors or similar person to pay to Landlord or allow the claim of Landlord in respect of any interest, fees, costs, expenses or other Guaranteed Obligations accruing or arising after the date on which such case or proceeding is commenced.

19. **Conveyance or Transfer**. Without Landlord's written consent, Guarantor shall not convey, sell, lease or transfer any of its properties or assets to any person or entity to the extent that such conveyance, sale, lease or transfer could have a material adverse effect on Guarantor's ability to fulfill any of the Guaranteed Obligations.

20. **[NOTE: ONLY WHERE GUARANTOR IS NOT A DIRECT OR INDIRECT PARENT OF TENANT: [Limitation on Obligations Guaranteed.**

(a) Notwithstanding any other provision hereof, the right of recovery against Guarantor under Section 2 shall not exceed $1.00 less than the lowest amount that would render Guarantor's obligations under Section 2 void or voidable under applicable law, including, without limitation, the Uniform Fraudulent Conveyance Act, Uniform Fraudulent Transfer Act or any similar foreign, federal or state law to the extent applicable to the guaranty set forth herein and the obligations of Guarantor hereunder. To effectuate the foregoing, the Guaranteed Obligations in respect of the guarantee set forth in Section 2 at any time shall be limited to the maximum amount as would result in the Guaranteed Obligations with respect thereto not constituting a fraudulent transfer or conveyance after giving full effect to the liability under such guarantee set forth in Section 2 and its related contribution rights, but before taking into account any liabilities under any other guarantee by Guarantor. For purposes of the foregoing, all guarantees of Guarantor other than the guarantee under Section 2 will be deemed to be enforceable and payable after the guaranty under Section 2. To the fullest extent permitted by applicable law, this Section shall be for the benefit solely of creditors and representatives of creditors of Guarantor and not for the benefit of Guarantor or the holders of any equity interest in Guarantor.

(b) Guarantor agrees that obligations may at any time and from time to time be incurred or permitted in an amount exceeding the maximum liability of Guarantor under Section 2 without impairing the guarantee contained in Section 2 or affecting Landlord's rights and remedies hereunder.]]

21. **Financials.** To induce Landlord to enter into the Lease, Guarantor (to the extent applicable) shall provide to Landlord all information as required to be provided by Tenant and/or Guarantor pursuant to Section 35.1 of the Lease, subject to all conditions set forth in that Section.

22. **Joint and Several Liability.** Guarantor's liability under this Guaranty shall be joint and several with any and all other Guarantors in accordance with the terms and conditions of the Lease.

23. **Release.** Upon full payment and performance of all of Guarantor’s obligations under the Lease, this Guaranty shall automatically terminate and be released.

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IN WITNESS WHEREOF, Guarantor has caused this Guaranty to be signed by its respective officer thereunto duly authorized, all as of the date first written above.

GUARANTOR

[_____],
a [_____]

By: _____
Name: _____
Title: _____

EXHIBIT E

WORK LETTER

This Work Letter (this "**Work Letter**") is made and entered into as of the 2nd day of July, 2019, by and between IIP-MI 3 LLC, a Delaware limited liability company ("**Landlord**"), and FPAW MICHIGAN LLC, a Michigan limited liability company ("**Tenant**"), and is attached to and made a part of that certain Lease dated as of July 2, 2019 (as the same may be amended, amended and restated, supplemented or otherwise modified from time to time, the "**Lease**"), by and between Landlord and Tenant for the Premises located at 735 E. Hazel Street, Lansing, Michigan. All capitalized terms used but not otherwise defined herein shall have the meanings given them in the Lease.

1. General Requirements.

1.1. Authorized Representatives.

(a) Landlord designates, as Landlord's authorized representative ("**Landlord's Authorized Representative**"), (i) Catherine Hastings as the person authorized to initial plans, drawings, approvals and to sign change orders pursuant to this Work Letter and (ii) an officer of Landlord as the person authorized to sign any amendments to this Work Letter or the Lease. Tenant shall not be obligated to respond to or act upon any such item until such item has been initialed or signed (as applicable) by the appropriate Landlord's Authorized Representative. Landlord may change either Landlord's Authorized Representative upon one (1) business day's prior written notice to Tenant.

(b) Tenant designates Ray Thek ("**Tenant's Authorized Representative**") as the person authorized to initial and sign all plans, drawings, change orders and approvals pursuant to this Work Letter. Landlord shall not be obligated to respond to or act upon any such item until such item has been initialed or signed (as applicable) by Tenant's Authorized Representative. Tenant may change Tenant's Authorized Representative upon one (1) business day's prior written notice to Landlord.

1.2. Schedule. The schedule for design and development of the Tenant Improvements, including the time periods for preparation and review of construction documents, approvals and performance, shall be in accordance with a schedule to be prepared by Tenant (the "**Schedule**"). Tenant shall prepare the Schedule so that it is a reasonable schedule for the completion of the Tenant Improvements. The Schedule shall clearly identify all activities requiring Landlord participation. As soon as the Schedule is completed, Tenant shall deliver the same to Landlord for Landlord's approval, which approval shall not be unreasonably withheld, conditioned or delayed. Such Schedule shall be approved or disapproved by Landlord within ten (10) business days after delivery to Landlord. Landlord's failure to respond within such ten (10) business day period shall be deemed approval by Landlord. If Landlord disapproves the Schedule, then Landlord shall notify Tenant in writing of its objections to such Schedule, and the parties shall confer and negotiate in good faith to reach agreement on the Schedule. The Schedule shall be subject to adjustment as mutually agreed upon in writing by the parties, or as provided in this Work Letter.

1.3. Tenant's Architects, Contractors and Consultants. The architect, engineering consultants, design team, general contractor and subcontractors responsible for the construction of the Tenant Improvements shall be selected by Tenant and approved by Landlord, which approval Landlord shall not unreasonably withhold, condition or delay. All Tenant contracts related to the Tenant Improvements shall provide that Tenant may assign such contracts and any warranties with respect to the Tenant Improvements to Landlord at any time.

2. Tenant Improvements. All Tenant Improvements shall be performed by Tenant's contractor, at Tenant's sole cost and expense (subject to Landlord's obligations with respect to any portion of the TI Allowance) and in accordance with the Approved Plans (as defined below), the Lease and this Work Letter. All material and equipment furnished by Tenant or its contractors as the Tenant Improvements shall be new or "like new;" the Tenant Improvements shall be performed in a first-class, workmanlike manner. Tenant shall take, and shall require its contractors to take, commercially reasonable steps to protect the Premises during the performance of any Tenant

Improvements, including covering or temporarily removing any window coverings so as to guard against dust, debris or damage.

2.1. Work Plans. Tenant shall prepare and submit to Landlord for approval schematics covering the Tenant Improvements prepared in conformity with the applicable provisions of this Work Letter (the "**Draft Schematic Plans**"). The Draft Schematic Plans shall contain sufficient information and detail to accurately describe the proposed design to Landlord and such other information as Landlord may reasonably request. Landlord shall notify Tenant in writing within ten (10) business days after receipt of the Draft Schematic Plans whether Landlord approves or objects to the Draft Schematic Plans and of the manner, if any, in which the Draft Schematic Plans are unacceptable. Landlord's failure to respond within such ten (10) business day period shall be deemed approval by Landlord. If Landlord reasonably objects to the Draft Schematic Plans, then Tenant shall revise the Draft Schematic Plans and cause Landlord's objections to be remedied in the revised Draft Schematic Plans. Tenant shall then resubmit the revised Draft Schematic Plans to Landlord for approval, such approval not to be unreasonably withheld, conditioned or delayed. Landlord's approval of or objection to revised Draft Schematic Plans and Tenant's correction of the same shall be in accordance with this Section until Landlord has approved the Draft Schematic Plans in writing or been deemed to have approved them. The iteration of the Draft Schematic Plans that is approved or deemed approved by Landlord without objection shall be referred to herein as the "**Approved Schematic Plans**."

2.2. Construction Plans. Tenant shall prepare final plans and specifications for the Tenant Improvements that (a) are consistent with and are logical evolutions of the Approved Schematic Plans and (b) incorporate any other Tenant-requested (and Landlord-approved) Changes (as defined below). As soon as such final plans and specifications ("**Construction Plans**") are completed, Tenant shall deliver the same to Landlord for Landlord's approval, which approval shall not be unreasonably withheld, conditioned or delayed. All such Construction Plans shall be submitted by Tenant to Landlord in electronic .pdf, CADD and full-size hard copy formats, and shall be approved or disapproved by Landlord within ten (10) business days after delivery to Landlord. Landlord's failure to respond within such ten (10) business day period shall be deemed approval by Landlord. If the Construction Plans are disapproved by Landlord, then Landlord shall notify Tenant in writing of its objections to such Construction Plans, and the parties shall confer and negotiate in good faith to reach agreement on the Construction Plans. Promptly after the Construction Plans are approved by Landlord and Tenant, two (2) copies of such Construction Plans shall be initialed and dated by Landlord and Tenant, and Tenant shall promptly submit such Construction Plans to all appropriate Governmental Authorities for approval. The Construction Plans so approved, and all change orders approved (to the extent required) by Landlord, are referred to herein as the "**Approved Plans**."

2.3. Changes to the Tenant Improvements. Any material changes to the Approved Plans (each, a "**Change**") requested by Tenant shall be subject to the prior written approval of Landlord, not to be unreasonably withheld, conditioned or delayed. Any such Change request shall detail the nature and extent of any requested Changes, including any modification of the Approved Plans and the Schedule, as applicable, necessitated by the Change. In the event that Landlord fails to respond to any such Change request within five (5) business days of receipt, such Change shall be deemed approved.

3. Completion of Tenant Improvements. Tenant, at its sole cost and expense (except for the TI Allowance), shall perform and complete the Tenant Improvements in all respects (a) in substantial conformance with the Approved Plans, (b) otherwise in compliance with provisions of the Lease and this Work Letter and (c) in accordance with Applicable Laws, the requirements of Tenant's insurance carriers, the requirements of Landlord's insurance carriers (to the extent Landlord provides its insurance carriers' requirements to Tenant) and the board of fire underwriters having jurisdiction over the Premises. The Tenant Improvements shall be deemed completed at such time as Tenant shall furnish to Landlord (t) evidence satisfactory to Landlord that (i) all Tenant Improvements have been completed and paid for in full (which shall be evidenced by the architect's certificate of completion and the general contractor's and each subcontractor's and material supplier's final unconditional waivers and releases of liens, each in a form acceptable to Landlord and complying with Applicable Laws, and a Certificate of Substantial Completion in the form of the American Institute of Architects document G704, executed by the project architect and the general contractor, together with a statutory notice of substantial completion from the general contractor), (ii) all Tenant Improvements have been accepted by Landlord, (iii) any and all liens related to the Tenant Improvements have either been discharged of record (by payment, bond, order of a court of competent jurisdiction or otherwise) or waived by the party filing such lien and (iv) no security interests relating to the Tenant

Improvements are outstanding, (u) all certifications and approvals with respect to the Tenant Improvements that may be required from any Governmental Authority and any board of fire underwriters or similar body for the use and occupancy of the Premises (including a certificate of occupancy for the Premises for the Permitted Use), (v) certificates of insurance required by the Lease to be purchased and maintained by Tenant, (w) an affidavit from Tenant's architect certifying that all work performed in, on or about the Premises is in accordance with the Approved Plans, (x) complete "as built" drawing print sets, project specifications and shop drawings and electronic CADD files on disc (showing the Tenant Improvements as an overlay on the Building "as built" plans for work performed by their architect and engineers in relation to the Tenant Improvements, (y) a commissioning report prepared by a licensed, qualified commissioning agent hired by Tenant and approved by Landlord for all new or affected mechanical, electrical and plumbing systems (which report Landlord may hire a licensed, qualified commissioning agent to peer review, and whose reasonable recommendations Tenant's commissioning agent shall perform and incorporate into a revised report) and (z) such other "close out" materials as Landlord reasonably requests, such as copies of manufacturers' warranties, operation and maintenance manuals and the like.

4. Insurance.

4.1. Property Insurance. At all times during the period beginning with commencement of construction of the Tenant Improvements and ending with final completion of the Tenant Improvements, Tenant shall maintain, or cause to be maintained (in addition to the insurance required of Tenant pursuant to the Lease), property insurance insuring Landlord and the Landlord Parties, as their interests may appear. Such policy shall, on a completed values basis for the full insurable value at all times, insure against loss or damage by fire, vandalism and malicious mischief and other such risks as are customarily covered by the so-called "broad form extended coverage endorsement" upon all Tenant Improvements and the general contractor's and any subcontractors' machinery, tools and equipment, all while each forms a part of, or is contained in, the Tenant Improvements or any temporary structures on the Premises, or is adjacent thereto; provided that, for the avoidance of doubt, insurance coverage with respect to the general contractor's and any subcontractors' machinery, tools and equipment shall be carried on a primary basis by such general contractor or the applicable subcontractor(s). Tenant agrees to pay any deductible, and Landlord is not responsible for any deductible, for a claim under such insurance. Such property insurance shall contain an express waiver of any right of subrogation by the insurer against Landlord and the Landlord Parties, and shall name Landlord and its affiliates as loss payees as their interests may appear.

4.2. Workers' Compensation Insurance. At all times during the period of construction of the Tenant Improvements, Tenant shall, or shall cause its contractors or subcontractors to, maintain statutory workers' compensation insurance as required by Applicable Laws.

5. Liability. Tenant assumes sole responsibility and liability for any and all injuries or the death of any persons, including Tenant's contractors and subcontractors and their respective employees, agents and invitees, and for any and all damages to property caused by, resulting from or arising out of any act or omission on the part of Tenant, Tenant's contractors or subcontractors, or their respective employees, agents and invitees in the prosecution of the Tenant Improvements. Tenant agrees to indemnify, save, defend (at Landlord's option and with counsel reasonably acceptable to Landlord) and hold the Landlord Indemnitees harmless from and against all Claims due to, because of or arising out of any and all such injuries, death or damage, whether real or alleged, and Tenant and Tenant's contractors and subcontractors shall assume and defend at their sole cost and expense all such Claims; provided, however, that nothing contained in this Work Letter shall be deemed to indemnify or otherwise hold Landlord harmless from or against liability caused by Landlord's gross negligence or willful misconduct. Any deficiency in design or construction of the Tenant Improvements shall be solely the responsibility of Tenant (or its architect or contractor), notwithstanding the fact that Landlord may have approved of the same in writing.

6. TI Allowance.

6.1. Application of TI Allowance. Subject to the provisions of Section 5 of the Lease, Landlord shall contribute the TI Allowance toward the costs and expenses incurred in connection with the performance of the Tenant Improvements, in accordance with Section 5 of the Lease. If the entire TI Allowance is not applied toward or reserved for the costs of the Tenant Improvements, then Tenant shall not be entitled to a credit of such unused

portion of the TI Allowance. Tenant may apply the TI Allowance for the payment of construction and other costs in accordance with the terms and provisions of the Lease.

6.2. Approval of Budget for the Tenant Improvements. Notwithstanding anything to the contrary set forth elsewhere in this Work Letter or the Lease, Landlord shall not have any obligation to expend any portion of the TI Allowance until Landlord and Tenant shall have approved in writing the budget for the Tenant Improvements (the "**Approved Budget**"). Prior to Landlord's approval of the Approved Budget, Tenant shall pay all of the costs and expenses incurred in connection with the Tenant Improvements as they become due. Landlord shall not be obligated to reimburse Tenant for costs or expenses relating to the Tenant Improvements that exceed the amount of the TI Allowance. Landlord shall not unreasonably withhold, condition or delay its approval of any budget for Tenant Improvements that is proposed by Tenant.

6.3. Fund Requests. Subject to Section 5 of the Lease, Upon submission by Tenant to Landlord of (a) a statement (a "**Fund Request**") setting forth the total amount of the TI Allowance requested, (b) a summary of the Tenant Improvements performed using AIA standard form Application for Payment (G 702) executed by the general contractor and by the architect, (c) invoices from the general contractor, the architect, and any subcontractors, material suppliers and other parties in the amount of the TI Allowance requested by Tenant for reimbursement, (d) unconditional lien releases from the general contractor and each subcontractor and material supplier with respect to all payments made by Tenant for the Tenant Improvements in a form acceptable to Landlord and complying with Applicable Laws; and (e) the items required to be delivered by Tenant pursuant to Section 5 of the Lease, then Landlord shall, within fifteen (15) days following receipt by Landlord of the Fund Request and all accompanying materials required by this Section, pay to Tenant the amount of the TI Allowance requested.

7. Miscellaneous.

7.1. Incorporation of Lease Provisions. Sections 35.2 through 35.18 of the Lease are incorporated into this Work Letter by reference, and shall apply to this Work Letter in the same way that they apply to the Lease.

[REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, Landlord and Tenant have executed this Work Letter to be effective on the date first above written.

LANDLORD:

IIP-MI 3 LLC,
a Delaware limited liability company

By: _____
Name: Brian Wolfe
Title: Vice President, General Counsel and Secretary

TENANT:

FPAW MICHIGAN LLC,
a Michigan limited liability company

By: _____
Name: _____
Title: _____

EXHIBIT E-1

TENANT WORK INSURANCE SCHEDULE

Tenant shall be responsible for requiring all of Tenant contractors doing construction or renovation work to purchase and maintain such insurance as shall protect it from the claims set forth below which may arise out of or result from any Tenant Work whether such Tenant Work is completed by Tenant or by any Tenant contractors or by any person directly or indirectly employed by Tenant or any Tenant contractors, or by any person for whose acts Tenant or any Tenant contractors may be liable:

1. Claims under workers' compensation, disability benefit and other similar employee benefit acts which are applicable to the Tenant Work to be performed.

2. Claims for damages because of bodily injury, occupational sickness or disease, or death of employees under any applicable employer's liability law.

3. Claims for damages because of bodily injury, or death of any person other than Tenant's or any Tenant contractors' employees.

4. Claims for damages insured by usual personal injury liability coverage which are sustained (a) by any person as a result of an offense directly or indirectly related to the employment of such person by Tenant or any Tenant contractors or (b) by any other person.

5. Claims for damages, other than to the Tenant Work itself, because of injury to or destruction of tangible property, including loss of use therefrom.

6. Claims for damages because of bodily injury or death of any person or property damage arising out of the ownership, maintenance or use of any motor vehicle.

Tenant contractors' Commercial General Liability Insurance shall include premises/operations (including explosion, collapse and underground coverage if such Tenant Work involves any underground work), elevators, independent contractors, products and completed operations, and blanket contractual liability on all written contracts, all including broad form property damage coverage.

Tenant contractors' Commercial General, Automobile, Employers and Umbrella Liability Insurance shall be written for not less than limits of liability as follows:

a.	Commercial General Liability: Bodily Injury and Property Damage	Commercially reasonable amounts, but in any event no less than $[***] per occurrence and $[***] general aggregate, with $[***] products and completed operations aggregate.
b.	Commercial Automobile Liability: Bodily Injury and Property Damage	$[***] per accident
c.	Employer's Liability: Each Accident Disease – Policy Limit Disease – Each Employee	 $[***] $[***] $[***]
d.	Umbrella Liability: Bodily Injury and Property Damage	Commercially reasonable amounts (excess of coverages a, b and c above), but in any event no less than $[***] per occurrence / aggregate.

All subcontractors for Tenant contractors shall carry the same coverages and limits as specified above, unless different limits are reasonably approved by Landlord. The foregoing policies shall contain a provision that coverages afforded under the policies shall not be canceled or not renewed until at least thirty (30) days' prior written notice has been given to the Landlord. Certificates of insurance including required endorsements showing

such coverages to be in force shall be filed with Landlord prior to the commencement of any Tenant Work and prior to each renewal. Coverage for completed operations must be maintained for the lesser of ten (10) years and the applicable statue of repose following completion of the Tenant Work, and certificates evidencing this coverage must be provided to Landlord. The minimum A.M. Best's rating of each insurer shall be A- VII. Landlord and its mortgagees shall be named as an additional insureds under Tenant contractors' Commercial General Liability, Commercial Automobile Liability and Umbrella Liability Insurance policies as respects liability arising from work or operations performed, or ownership, maintenance or use of autos, by or on behalf of such contractors. Each contractor and its insurers shall provide waivers of subrogation with respect to any claims covered or that should have been covered by valid and collectible insurance, including any deductibles or self-insurance maintained thereunder.

If any contractor's work involves the handling or removal of asbestos (as determined by Landlord in its sole and absolute discretion), such contractor shall also carry Pollution Legal Liability insurance. Such coverage shall include bodily injury, sickness, disease, death or mental anguish or shock sustained by any person; property damage, including physical injury to or destruction of tangible property (including the resulting loss of use thereof), clean-up costs and the loss of use of tangible property that has not been physically injured or destroyed; and defense costs, charges and expenses incurred in the investigation, adjustment or defense of claims for such damages. Coverage shall apply to both sudden and non-sudden pollution conditions including the discharge, dispersal, release or escape of smoke, vapors, soot, fumes, acids, alkalis, toxic chemicals, liquids or gases, waste materials or other irritants, contaminants or pollutants into or upon land, the atmosphere or any watercourse or body of water. Claims-made coverage is permitted, provided the policy retroactive date is continuously maintained prior to the Commencement Date, and coverage is continuously maintained during all periods in which Tenant occupies the Premises. Coverage shall be maintained with limits of not less than $[***] per incident with a $[***] policy aggregate.

Exhibit 10.15

CONFIDENTIAL TREATMENT REQUESTED - REDACTED COPY

LEASE

DATED

April 2, 2020

by and between

IIP-MA 4 LLC,
a Delaware limited liability company

and

MASSGROW, LLC,
a Massachusetts limited liability company

Certain identified information has been omitted from this exhibit because it is not material and would likely cause competitive harm to the registrant if publicly disclosed. [***] indicates that information has been omitted.

LEASE AGREEMENT

This Lease Agreement (this "**Lease**"), dated April 2, 2020 (the "**Execution Date**"), is made between IIP-MA 4 LLC, a Delaware limited liability company ("**Landlord**"), and MassGrow, LLC, a Massachusetts limited liability company ("**Tenant**").

RECITALS

A. WHEREAS, concurrent with the execution of this Lease, Landlord closed on the purchase of certain real property in Athol, Massachusetts (the "**Property**"), including the one (1) building comprising Unit 1 of the Project (as defined below) and the five (5) buildings comprising Unit 2 of the Project located at 134 Chestnut Hill Avenue in Athol, Massachusetts (collectively, the "**Buildings**"), pursuant to that certain Purchase and Sale Agreement and Joint Escrow Instructions, dated January 13, 2020 (as amended and assigned, the "**Purchase Agreement**"), by and between Landlord and Ascend Athol RE LLC, a Massachusetts limited liability company;

B. The Premises (as defined below) is part of the condominium project known as "Chestnut Hill Avenue Primary Condominium" created by Master Deed recorded with the Worcester County Registry of Deeds in Book 62139, Page 61 (the "**Project**");

C. WHEREAS, Landlord wishes to lease to Tenant, and Tenant desires to lease from Landlord, the Premises (as defined below), pursuant to the terms and conditions of this Lease, as detailed below; and

D. WHEREAS, Ascend Wellness Holdings, LLC (the "**Guarantor**") is an affiliate of Tenant that is deriving a benefit from Landlord and Tenant entering into this Lease, and has agreed to enter into a guaranty in the form attached as Exhibit D hereto (the "**Guaranty**"), without which Landlord would not agree to enter into this Lease.

AGREEMENT

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

1. Lease of Premises. Landlord hereby leases to Tenant, and Tenant hereby leases from Landlord, the premises described on Exhibit A attached hereto, including shafts, cable runs, mechanical spaces, rooftop areas, landscaping, parking facilities, private drives and other improvements and appurtenances related thereto (including the Buildings), for use by Tenant in accordance with the Permitted Use (as defined below) and no other uses (collectively, the "**Premises**").

2. Basic Lease Provisions. For convenience of the parties, certain basic provisions of this Lease are set forth herein. The provisions set forth herein are subject to the remaining terms and conditions of this Lease and are to be interpreted in light of such remaining terms and conditions.

2.1. The monthly Base Rent for the first twelve (12) months of the Term of the Lease shall be as set forth below, subject to subsequent adjustment under this Lease.

Month of Lease Term	**Monthly Base Rent**
1	$321,796.88
2	$342,656.25
3	$363,515.63
4	$384,375.00
5	$405,234.38
6	$426,093.75
7	$446,953.13

8	$467,812.50
9	$488,671.88
10	$509,531.25
11	$530,390.63
12	$551,250.00

2.2. Security Deposit: The initial Security Deposit shall be Two Million Seven Hundred Fifty-Six Thousand Two Hundred Fifty Dollars ($2,756,250.00) (the "**Security Deposit**"), which shall be funded in installments as set forth below, with the first installment due from Tenant upon execution of this Lease and all subsequent installments to be made by Tenant to Landlord concurrently with monthly payments of Base Rent for the remainder of the initial twelve (12) months of the Term of the Lease, subject to subsequent adjustment under this Lease.

Month of Lease Term	**Security Deposit Installment**
1	$1,608,984.38
2	$104,296.88
3	$104,296.88
4	$104,296.88
5	$104,296.88
6	$104,296.88
7	$104,296.88
8	$104,296.88
9	$104,296.88
10	$104,296.88
11	$104,296.88
12	$104,296.88

2.3. "**Permitted Use**": Agricultural growth, processing and dispensing of agricultural materials, including cannabis, industrial and office space, in accordance with current zoning for the Premises and in conformity with all Applicable Laws (as defined below). The Permitted Use shall include the cultivation and processing of cannabis plant parts and resins into products, and the storage of same for transport, and such other related use or uses permitted under Applicable Laws.

2.4. Address for Rent Payment: IIP-MA 4 LLC

[REDACTED]
[REDACTED]
[REDACTED]
ABA: [***]
Account: [***]

2.5. Address for Notices to Landlord:

IIP-MA 4 LLC
[REDACTED]
[REDACTED]
Attn: General Counsel

2.6. Address for Notices and Invoices to Tenant:

MassGrow, LLC

c/o Ascend Wellness Holdings, LLC
137 Lewis Wharf
Boston, MA 02110
Attn: Abner Kurtin

2.7. The following Exhibits are attached hereto and incorporated herein by reference:

Exhibit A	Premises
Exhibit B	Tenant's Personal Property
Exhibit C	Form of Estoppel Certificate
Exhibit D	Form of Guaranty
Exhibit E	Work Letter
Exhibit E-1	Tenant Work Insurance Requirements

3. Term and Extension Options.

3.1. Term. The actual term of this Lease (as the same may be extended or earlier terminated in accordance with this Lease, the "**Term**") shall commence on the Execution Date (the "**Commencement Date**") and end on April 1, 2040, subject to extension or earlier termination of this Lease as provided herein.

3.2. Options to Extend Term. Tenant shall have two (2) options (each an "**Extension Option**") to extend the Term of this Lease for a period of five (5) years each (each an "**Extension Period**"), on the same terms and conditions in effect under this Lease immediately prior to the commencement of the Extension Period, except that (a) Tenant shall have no further right to extend the Term of this Lease after the second Extension Period, (b) the Base Rent payable during the Extension Period shall be an amount equal to Base Rent in effect immediately prior to the Extension Period, increased by [***] percent ([***]%) on an annual basis.

3.2.1. If Tenant exercises an Extension Option, such Extension Option shall apply to the entire Premises (and no less than the entire Premises). Tenant may exercise an Extension Option only by giving Landlord irrevocable and unconditional written notice thereof (the "**Extension Notice**") not later than fifteen (15) months prior to the commencement date of the Extension Period. Upon delivery of the Extension Notice, Tenant shall be irrevocably bound to lease the Premises for the Extension Period.

3.2.2. Notwithstanding the foregoing, Tenant shall not have the right to exercise an Extension Option (i) during the time commencing from the date Landlord delivers to Tenant a written notice that Tenant is in default under any provisions of this Lease and continuing until Tenant has cured the specified default to Landlord's reasonable satisfaction; (ii) at any time after any Default (provided, however, that, for purposes of this Section 3.2(ii), Landlord shall not be required to provide Tenant with a notice of such Default) and continuing until Tenant cures any such Default, if such Default is susceptible to being cured; or (iii) in the event that Tenant has defaulted in the performance of its obligations under this Lease three (3) or more separate times during the six (6)-month period immediately prior to the date that Tenant intends to exercise an Extension Option, whether or not Tenant has cured such defaults.

3.2.3. If Tenant shall fail to timely exercise the Extension Option in accordance with the provisions of this Section 3.2, then the Extension Option shall terminate, and shall be null and void and of no further force and effect. If this Lease or Tenant's right to possession of the Premises shall terminate in any manner whatsoever before Tenant shall exercise the Extension Option, or if Tenant shall have assigned or transferred any interest in this Lease or sublet any part of the Premises (other than in the case of a Permitted Transfer as set forth in Section 16.8 below, then immediately upon such termination, assignment, transfer or sublease, the Extension Option shall simultaneously terminate and become null and void. Time is of the essence with regard to this Section 3.2.

3.2.4. The Extension Options are conditioned upon each Guarantor executing an amendment to such Guarantor's Guaranty that explicitly extends such Guarantor's obligations so that each Guarantor guarantees Tenant's Lease obligations incurred pursuant to Tenant's timely and proper exercise of an Extension Option.

4. Possession.

4.1. Possession. Tenant hereby acknowledges that immediately prior to the Commencement Date, Tenant was in possession of the Premises, and is familiar with the condition thereof and accepts the Premises in its "as is" condition with all faults, and Landlord makes no representation or warranty of any kind with respect the Premises, and Landlord will have no obligation to improve, alter or repair the Premises. It is understood and agreed that Landlord is not obligated to install any equipment, or make any repairs, improvements or alterations to the Premises. Tenant's continued occupancy and possession of the Premises following the Closing (as defined in the Purchase Agreement) shall conclusively establish that the Premises, the Buildings and the common areas of the Project were at such time in good, sanitary and satisfactory condition and repair.

4.2. NOTWITHSTANDING ANYTHING TO THE CONTRARY HEREIN, IT IS EXPRESSLY UNDERSTOOD AND AGREED THAT LANDLORD IS LEASING THE PREMISES "AS IS" AND "WHERE IS," AND WITH ALL FAULTS, AND THAT LANDLORD IS MAKING NO REPRESENTATIONS AND WARRANTIES WHETHER EXPRESS OR IMPLIED, BY OPERATION OF LAW OR OTHERWISE, WITH RESPECT TO THE QUALITY OR PHYSICAL CONDITION OF THE PREMISES, THE INCOME OR EXPENSES FROM OR OF THE PREMISES, OR THE COMPLIANCE OF THE PREMISES WITH APPLICABLE BUILDING OR FIRE CODES, ENVIRONMENTAL LAWS OR OTHER LAWS, RULES, ORDERS OR REGULATIONS. WITHOUT LIMITING THE FOREGOING, IT IS UNDERSTOOD AND AGREED THAT LANDLORD MAKES NO WARRANTY WITH RESPECT TO THE HABITABILITY, SUITABILITY, MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE. TENANT AGREES THAT IT ASSUMES FULL RESPONSIBILITY FOR, AND THAT IT HAS PERFORMED EXAMINATIONS AND INVESTIGATIONS OF THE PREMISES, INCLUDING SPECIFICALLY, WITHOUT LIMITATION, EXAMINATIONS AND INVESTIGATIONS FOR THE PRESENCE OF ASBESTOS, PCBS AND OTHER HAZARDOUS SUBSTANCES, MATERIALS AND WASTES (AS THOSE TERMS MAY BE DEFINED HEREIN OR BY APPLICABLE FEDERAL OR STATE LAWS, RULES OR REGULATIONS) ON OR IN THE PREMISES. WITHOUT LIMITING THE FOREGOING, TENANT IRREVOCABLY WAIVES ALL CLAIMS AGAINST LANDLORD WITH RESPECT TO ANY ENVIRONMENTAL CONDITION, INCLUDING CONTRIBUTION AND INDEMNITY CLAIMS, WHETHER STATUTORY OR OTHERWISE. TENANT ASSUMES FULL RESPONSIBILITY FOR ALL COSTS AND EXPENSES REQUIRED TO CAUSE THE PREMISES TO COMPLY WITH ALL APPLICABLE BUILDING AND FIRE CODES, MUNICIPAL ORDINANCES, ENVIRONMENTAL LAWS AND OTHER LAWS, RULES, ORDERS, AND REGULATIONS.

4.3. Holding Over.

4.3.1. If, with Landlord's prior written consent, Tenant holds possession of all or any part of the Premises after the Term, Tenant shall become a tenant from month-to-month after the expiration or earlier termination of the Term, and in such case Tenant shall continue to pay (a) Base Rent, as adjusted in accordance with Section 6, (b) Additional Rent, and (c) any amounts for which Tenant would otherwise be liable under this Lease if the Lease were still in effect. Any such month-to-month tenancy shall be subject to every other term, covenant and agreement contained herein.

4.3.2. If Tenant retains possession of any portion of the Premises after the Term without Landlord's prior written consent, then (a) Tenant shall be a tenant at sufferance subject to the terms and conditions of this Lease, except that the monthly rent shall be equal to [***] percent ([***]%) of the monthly Rent in effect during the last thirty (30) days of the Term, and (b) Tenant shall be liable to Landlord for any and all damages suffered by Landlord directly as a result of such holdover, including any lost rent (offset by any rent actually paid by Tenant) or consequential, special and indirect damages (in each case, regardless of whether such damages are foreseeable).

4.3.3. Acceptance by Landlord of Rent after the expiration or earlier termination of the Term shall not result in an extension, renewal or reinstatement of this Lease. The foregoing provisions of this Section 4 are in addition to and do not affect Landlord's right of reentry or any other rights of Landlord hereunder or as otherwise provided by Applicable Laws. The provisions of this Section 4 shall survive the expiration or earlier termination of this Lease.

5. Tenant Improvements.

5.1. Tenant shall cause appropriate improvements consistent with the Permitted Use (the "**Tenant Improvements**") to be constructed in the Premises pursuant to the Work Letter attached hereto as Exhibit E (the "**Work Letter**") at a cost to Landlord not to exceed Twenty Two Million Two Hundred Fifty Thousand Dollars ($22,250,000.00) (the "**TI Allowance**"). The TI Allowance may be applied to the costs of (a) construction, (b) project review by Landlord (which fee shall equal [***] percent ([***]%) of the cost of the Tenant Improvements, including the TI Allowance), (c) commissioning of mechanical, electrical and plumbing systems by a licensed, qualified commissioning agent hired by Tenant, and review of such party's commissioning report by a licensed, qualified commissioning agent hired by Landlord, (d) space planning, architect, engineering and other related services performed by third parties unaffiliated with Tenant, (e) building permits and other taxes, fees, charges and levies by governmental authorities for permits or for inspections of the Tenant Improvements, and (f) costs and expenses for labor, material, equipment and fixtures. In no event shall the TI Allowance be used for (m) the cost of work that is not authorized by the Approved Plans (as defined in the Work Letter) or otherwise approved in writing by Landlord, (n) payments to Tenant or any affiliates of Tenant, (o) the purchase of any furniture, personal property or other non-building system equipment, (p) costs resulting from any default by Tenant of its obligations under this Lease, (q) costs that are recoverable by Tenant from a third party (e.g., insurers, warrantors, or tortfeasors), (r) costs that were provided by Tenant and its representatives to Landlord as support for the acquisition and development costs included as the basis for the Purchase Price (as defined in the Purchase Agreement), or (s) costs incurred by or on behalf of Tenant prior to the Commencement Date, including costs relating to the construction of the Tenant Improvements.

5.2. Tenant shall have until April 2, 2038 to request disbursement for the final installment of the TI Allowance, and may request no more than fifteen (15) disbursements of the TI Allowance, with each disbursement (other than the final disbursement) being no less than [***] Dollars ($[***]). Landlord's obligation to disburse any of the TI Allowance shall be conditional upon Tenant's satisfaction of the conditions precedent to funding of the TI Allowance set forth in Section 6.3 of the Work Letter. In addition, Landlord’s obligation to disburse any of the TI Allowance in excess of Twenty-One Million Seven Hundred Fifty Thousand Dollars ($21,750,000.00) shall be conditioned upon the satisfaction of the following: (a) Tenant's delivery to Landlord of a certificate of occupancy for the Premises suitable for the Permitted Use, as applicable; (b) Tenant's delivery to Landlord of a Certificate of Substantial Completion in the form of the American Institute of Architects document G704, executed by the project architect and the general contractor or such other form or certification as may be reasonably acceptable to Landlord; (c) Tenant's satisfaction of the conditions precedent to funding of the TI Allowance set forth in Section 6.3 of the Work Letter; and (d) there shall be no uncured event of default by Tenant under this Lease.

6. Rent.

6.1. Rent. Base Rent and Additional Rent (as defined below) shall together be denominated "**Rent**." Rent shall be paid by ACH, wire transfer or check (but in no event may Rent be payable in cash unless Landlord provides its consent to such form of payment, in Landlord's sole and absolute discretion) to Landlord, without abatement, deduction or offset, in lawful money of the United States of America to the address set forth in Section 2 or to such other person or at such other place as Landlord may from time designate in writing. In the event the Term commences on a day other than the first day of a calendar month or ends on a day other than the last day of a calendar month, then the Rent for such fraction of a month shall be prorated for such period on the basis of the number of days in the month and shall be paid at the then-current rate for such fractional month.

6.2. Base Rent. Tenant shall pay to Landlord as Base Rent for the Premises, commencing on the Commencement Date, the sums set forth in Section 2, subject to the rental adjustments provided in Section 6.5. Base Rent shall be paid in equal monthly installments, subject to the rental adjustments provided in Section 6.5, each in advance on, or before, the first day of each and every calendar month during the Term.

6.3. Additional Rent. In addition to Base Rent, Tenant shall pay to Landlord as additional rent ("**Additional Rent**") at times hereinafter specified in this Lease (a) amounts related to Operating Expenses and Taxes (each as defined below), unless paid directly by Tenant to third parties to whom such amounts are owed, (b) the Property Management Fee (as defined below) and (c) any other amounts that Tenant assumes or agrees to pay

under the provisions of this Lease that are owed to Landlord (whether or not such amounts are referred to herein as "Additional Rent"), including any and all other sums that may become due by reason of any default of Tenant or failure on Tenant's part to comply with the agreements, terms, covenants and conditions of this Lease to be performed by Tenant.

6.3.1. Operating Expenses. Tenant will pay directly all Operating Expenses of the Premises in a timely manner and prior to delinquency, unless otherwise specified herein that Landlord shall pay directly such Operating Expenses and receive reimbursement from Tenant. In the event that Tenant fails to pay any Operating Expense within ten (10) days after written notice by Landlord to Tenant, and without being under any obligation to do so and without hereby waiving any default by Tenant, Landlord may pay any delinquent Operating Expenses. Any Operating Expense paid by Landlord and any expenses reasonably incurred by Landlord in connection with the payment of the delinquent Operating Expense may be billed immediately to Tenant, or at Landlord's option and upon written notice to Tenant, may be deducted from the Security Deposit. "**Operating Expenses**" means all costs and expenses incurred by Landlord with respect to the ownership, maintenance and operation of the Premises including, but not limited to: insurance, maintenance, repair and replacement of the foundation, roof, walls, heating, ventilation, air conditioning, plumbing, electrical, mechanical, utility and safety systems, maintenance and repair of roof membrane, flashings, gutters, downspouts, roof drains, skylights and waterproofing; painting; lighting; cleaning; refuse removal; security; utilities for, or the maintenance of, outside areas; building personnel costs; personal property taxes; rentals or lease payments paid by Landlord for rented or leased personal property used in the operation or maintenance of the Premises; and fees for required licenses and permits. Operating Expenses shall exclude (a) legal fees, brokerage commissions, advertising costs and other related expenses incurred in connection with the leasing of the Buildings (or any portion thereof); (b) wages, salaries benefits, perquisites and compensation paid or given to (i) executives, shareholders, officers, directors or partners of Landlord, (ii) any principal or partner of the entity from time to time comprising Landlord, or (iii) off-site employees and employees at the Buildings above the level of building manager; (c) Landlord’s general overhead and administrative expenses not related to the Buildings; (d) payments of principal or interest on any mortgage or other encumbrance including ground lease payments and points, commissions and legal fees associated with financing; (e) non-cash items, such as deductions for depreciation and amortization of the Buildings and related equipment, or interest on capital invested; and (f) costs incurred in connection with the actual or contemplated sales, financing, refinancing, mortgaging, syndicating, selling, or change of ownership interest of the Buildings (or any portion thereof), including brokerage commissions, attorneys, and accountants’ fees, closing costs, title insurance premiums, transfer taxes and interest charges. Notwithstanding the foregoing, Operating Expenses shall include all costs, expenses, charges, fees, interest and other amounts required to be paid pursuant to the CC&Rs (as hereinafter defined), including, without limitation, all costs and expenses levied against the Premises by the Chestnut Hill Avenue Primary Condominium Association (or its board on its behalf) (the “**Association**”) in connection with the Project.

6.3.2. Taxes. Tenant will promptly pay to Landlord upon Landlord's written request the amount of all Taxes levied and assessed for any such year upon the Premises. "**Taxes**" means any and all real estate taxes, fees, assessments and other charges of any kind or nature, whether general, special, ordinary or extraordinary, that Landlord shall pay or accrue (without regard to any different fiscal year used by such governmental authority) that are levied in respect of the Premises, or in respect of any improvement, fixture, equipment or other property of Landlord, real or personal, located at the Premises, or used in connection with the operation of the Premises, and all fees, expenses, and costs incurred by Landlord in investigating, protesting, contesting, or in any way seeking to reduce or avoid increases in any assessments, levies, or the tax rate pertaining to the Taxes. Taxes shall not include Landlord's corporate franchise taxes, estate taxes, inheritance taxes or federal or state income taxes.

6.3.3. Estimated Costs. If and to the extent applicable, within sixty (60) days after the Commencement Date, and within sixty (60) days after the beginning of each calendar year, Landlord shall give Tenant a written estimate, for such calendar year, of the cost of Taxes and Operating Expenses payable by Landlord. Tenant shall pay such estimated amount to Landlord in equal monthly installments, in advance. Within ninety (90) days after the end of each calendar year, Landlord shall furnish to Tenant a statement showing in reasonable detail the cost of Taxes and Operating Expenses paid or payable by Landlord (the "**Annual Statement**"), and Tenant shall pay to Landlord the cost incurred by Landlord in excess of the payments made by Tenant within thirty (30) days of receipt of such Annual Statement. In the event that the payments made by Tenant to Landlord for the

estimated Taxes and Operating Expenses exceed the aggregate amount set forth in the Annual Statement, such excess amount shall be credited by Landlord to the Rent or other charges next due and owing, provided that, if the Term has expired, Landlord shall accompany said statement with the amount due Tenant.

6.3.4. Property Management Fee. Tenant shall pay to Landlord on, or before, the first day of each calendar month of the Term, as Additional Rent, the Property Management Fee. The "**Property Management Fee**" shall equal [***] percent ([***]%) of the then-current Base Rent due from Tenant. Tenant shall pay the Property Management Fee with respect to the entire Term, including any extensions thereof or any holdover periods, regardless of whether Tenant is obligated to pay Base Rent or any other Rent with respect to any such period or portion thereof.

6.3.5. Absolute Net Lease. This Lease shall be deemed and construed to be an "absolute net lease" and, except as herein expressly provided, the Landlord shall receive all payments required to be made by Tenant, free from all charges, assessments, impositions, expenses, deductions of any and every kind or nature whatsoever. Tenant shall, at Tenant's sole cost and expense, maintain the landscaping and parking lot, and make all additional repairs and alterations as required to maintain the Premises consistent with industry best practices.

6.4. Security Deposit. On or before the Execution Date of this Lease, Tenant shall deposit with Landlord the initial installment of the Security Deposit as set forth in Section 2.2 and shall thereafter deposit installments of the Security Deposit with Landlord as set forth in Section 2.2, which sums shall be held by Landlord as security for the faithful performance by Tenant of all of the terms, covenants and conditions of this Lease to be kept and performed by Tenant during the Term. Landlord shall not be required to maintain a separate account for the Security Deposit, but may intermingle it with other funds of Landlord. If Tenant defaults with respect to any provision of this Lease beyond applicable notice and cure periods, then without notice to Tenant, Landlord may (but shall not be required to) apply all or any part of the Security Deposit for the payment of any Rent or any other sum in default. If any portion of the Security Deposit is so used or applied, then Tenant shall, upon demand therefor, restore the Security Deposit to its original amount. If Tenant shall fully and faithfully perform every provision of this Lease to be performed by it, then the unapplied portion of the Security Deposit shall be returned to Tenant, or, at Landlord's option, to the last assignee of Tenant's interest hereunder, within sixty (60) days following the expiration of the Term. Tenant shall not be entitled to any interest on the Security Deposit. Tenant hereby irrevocably waives and relinquishes any and all rights, benefits, or protections, if any, Tenant now has, or in the future may have under any provision of law which (i) establishes the time frame by which a landlord must refund a security deposit under a lease, or (ii) provides that a landlord may claim from a security deposit only those sums reasonably necessary to remedy defaults in the payment of rent, to repair damage caused by a tenant, or to clean the subject premises. Tenant acknowledges and agrees that (A) any statutory time frames for the return of a security deposit are superseded by the express period identified in this Section 6.4, and (B) rather than be so limited, Landlord may claim from the Security Deposit (i) any and all sums expressly identified in this Section 6.4, and (ii) any additional sums reasonably necessary to compensate Landlord for any and all losses or damages caused by Tenant's default of this Lease, including, but not limited to, all damages or rent due upon termination of this Lease. In the event of bankruptcy or other debtor-creditor proceedings against Tenant, the Security Deposit shall be deemed to be applied first to the payment of Rent and other charges due Landlord for all periods prior to the filing of such proceedings. Provided that (a) no default by Tenant under this Lease has occurred and is continuing and (b) Tenant has achieved an EBITDA (as defined below) for the immediately preceding six (6) month period that is equal to two times the then-current Base Rent (which Base Rent shall be deemed to be $551,250.00 per month for the first twelve (12) months of the Term) for such time period (the "**EBITDA Condition**"), the Security Deposit shall be reduced to One Million Three Hundred Seventy-Eight Thousand One Hundred Twenty-Five Dollars ($1,378,125.00) (the "**Reduced Security Deposit**"). For purposes of the foregoing, the term "**EBITDA**" shall mean net income before interest, taxes, depreciation and amortization. Landlord shall be required to deliver to Tenant the portion of the Security Deposit retained by Landlord that is in excess of the Reduced Security Deposit within thirty (30) days after (x) Tenant has delivered to Landlord reasonable supporting documentation that Tenant has satisfied the conditions set forth in Subsections (a) and (b) above, including a certification from the principal financial officer of Tenant confirming that such conditions have been satisfied and that the documentation provided to Landlord evidencing satisfaction of the EBITDA Condition is true, correct and complete in all material respects and does not contain any misrepresentations or omissions of facts, and (y) Landlord reasonably has approved such documentation and agrees

that such conditions have been satisfied. If the Tenant subsequently fails to meet the EBITDA Condition at any time during the Term, then Tenant shall be required to promptly deliver to Landlord an amount sufficient to increase the Security Deposit held by Landlord back to the sum of Two Million Seven Hundred Fifty-Six Thousand Two Hundred Fifty Dollars ($2,756,250.00). Following the reduction of the Security Deposit to the Reduced Security Deposit, upon Landlord's request, Tenant shall promptly deliver to Landlord such documentation as may be reasonably required by Landlord to assess whether the EBITDA Condition remains satisfied.

6.5. Base Rent Adjustments. Base Rent shall be subject to an annual upward adjustment of [***] percent ([***]%) of the then-current Base Rent. The first such adjustment shall become effective commencing on the first annual anniversary of the Commencement Date, and subsequent adjustments shall become effective on every successive annual anniversary for so long as this Lease continues in effect.

6.6. No Discharge of Rent Obligations. Tenant's obligation to pay Rent shall not be discharged or otherwise affected by (a) any Applicable Laws now or hereafter applicable to the Premises, (b) any other restriction on Tenant's use, (c) except as expressly provided herein, any casualty or taking or (d) any other occurrence; and Tenant waives all rights now or hereafter existing to terminate or cancel this Lease or quit or surrender the Premises or any part thereof, or to assert any defense in the nature of constructive eviction to any action seeking to recover rent. Tenant's obligation to pay Rent with respect to any period or obligations arising, existing or pertaining to the period prior to the date of the expiration or earlier termination of the Term or this Lease shall survive any such expiration or earlier termination; provided, however, that nothing in this sentence shall in any way affect Tenant's obligations with respect to any other period. Except as expressly provided in this Lease, Tenant, to the extent now or hereafter permitted by Applicable Laws, waives all rights now or hereafter conferred by statute or otherwise to quit, terminate or surrender this Lease or to any diminution, abatement or reduction of Rent payable hereunder.

7. Use.

7.1. Use. Tenant shall use the Premises solely for the Permitted Use, and shall not use the Premises, or permit or suffer the Premises to be used, for any other purpose without Landlord's prior written consent, which consent Landlord may withhold in its sole but reasonable discretion. Tenant shall comply, and cause Tenant Parties to comply, with all Applicable Laws, zoning ordinances and certificates of occupancy issued for the Premises or any portion thereof. Tenant shall not make any penetrations in the roof of any Building without the consent of Landlord, and any work on the roof shall be undertaken by contractors approved by the company providing the warranty for the roof and shall otherwise be performed in such a manner so as not to violate any roof warranty and, if there is no roof warranty, to the standards which the company previously providing the roof warranty would require if there was a roof warranty. Tenant shall not commit, or allow Tenant Parties to commit, any waste of the Premises. Tenant shall not do, or permit Tenant Parties to do, anything on or about the Premises that in any way invalidates or prevents the procuring, of any insurance protecting against loss or damage to any portion of the Premises or its contents, or against liability for damage to property or injury to persons in or about any portion of the Premises. For purposes hereof, "**Tenant Parties**" means Tenant's agents, contractors, subcontractors, employees, customers, licensees, invitees, assignees and subtenants; and the term "**Applicable Laws**" means all federal (to the extent not in direct conflict with applicable state, municipal or local cannabis licensing and program laws, rules and regulations), state, municipal and local laws, codes, ordinances, rules and regulations of governmental authorities, committees, associations, or other regulatory committees, agencies or governing bodies having jurisdiction over the Premises or any portion thereof, Landlord or Tenant, including both statutory and common law, hazardous waste rules and regulations, and state cannabis licensing and program laws, rules and regulations. Tenant may only place equipment within the Premises with floor loading consistent with the applicable Building's structural design unless Tenant obtains Landlord's prior written approval. Tenant may place such equipment only in a location designed to carry the weight of such equipment.

7.2. Legal Compliance. Notwithstanding any other provision herein to the contrary, Tenant shall be responsible for all improvements or alterations required to be made and all liabilities, costs and expenses arising out of or in connection with the compliance of the Premises with Applicable Laws, including, without limitation, the Americans with Disabilities Act, 42 U.S.C. § 12101, et seq., and any state and local accessibility laws, codes, ordinances and rules (collectively, and together with regulations promulgated pursuant thereto, the "**ADA**"), and Tenant shall indemnify, save, defend (at Landlord's option and with counsel reasonably acceptable to Landlord) and

hold the Landlord Indemnitees harmless from and against any Claims arising out of any such failure of the Premises to comply with Applicable Laws, including, without limitation, the ADA.

7.3. Indemnification. Tenant shall indemnify, save, defend (at Landlord's option and with counsel reasonably acceptable to Landlord) and hold Landlord and its affiliates, lenders, employees, agents and contractors (collectively, the "**Landlord Indemnitees**") harmless from and against any and all demands, claims, liabilities, losses, costs, expenses, criminal or civil actions, forfeiture seizures, causes of action, damages, suits or judgments, and all reasonable expenses (including reasonable attorneys' fees, charges and disbursements, regardless of whether the applicable demand, claim, action, cause of action or suit is voluntarily withdrawn or dismissed) incurred in investigating or resisting the same (collectively, "**Claims**") of any kind or nature that arise before, during or after the Term as a result of Tenant's breach of this Section 7.

8. Hazardous Materials.

8.1. Tenant shall not cause or permit any Hazardous Materials (as defined below) to be brought upon, kept or used in or about the Premises in violation of Applicable Laws by Tenant or any Tenant Party. If (a) Tenant breaches such obligation, (b) the presence of Hazardous Materials as a result of such a breach results in contamination of the Premises, any portion thereof, or any adjacent property, (c) contamination of the Premises otherwise occurs during the Term or any extension or renewal hereof or holding over hereunder or (d) contamination of the Premises occurs as a result of Hazardous Materials that are placed on or under or are released into the Premises by a Tenant Party, then Tenant shall indemnify, save, defend (at Landlord's option and with counsel reasonably acceptable to Landlord) and hold the Landlord Indemnitees harmless from and against any and all Claims of any kind or nature, including (w) diminution in value of the Premises or any portion thereof, (x) damages for the loss or restriction on use of rentable or usable space or of any amenity of the Premises, (y) damages arising from any adverse impact on marketing of space in the Premises or any portion thereof and (z) sums paid in settlement of Claims that arise before, during or after the Term as a result of such breach or contamination. This indemnification by Tenant includes costs incurred in connection with any investigation of site conditions or any clean-up, remedial, removal or restoration work required by any governmental authority because of Hazardous Materials present in the air, soil or groundwater above, on, under or about the Premises. Without limiting the foregoing, if the presence of any Hazardous Materials in, on, under or about the Premises, any portion thereof or any adjacent property caused or permitted by any Tenant Party results in any contamination of the Premises, any portion thereof or any adjacent property, then Tenant shall promptly take all actions at its sole cost and expense as are necessary to return the Premises, any portion thereof or any adjacent property to its respective condition existing prior to the time of such contamination; provided that Landlord's written approval of such action shall first be obtained, which approval Landlord shall not unreasonably withhold; and provided, further, that it shall be reasonable for Landlord to withhold its consent if such actions could have a material adverse long-term or short-term effect on the Premises, any portion thereof or any adjacent property. Tenant's obligations under this Section shall not be limited by any limitation on the amount or type of damages, compensation or benefits payable by or for Tenant under workers' compensation acts, disability benefit acts, employee benefit acts or similar legislation.

8.2. Landlord acknowledges that it is not the intent of this Section 8 to prohibit Tenant from operating its business for the Permitted Use. Tenant may operate its business according to the custom of Tenant's industry so long as the use or presence of Hazardous Materials is strictly and properly monitored in accordance with Applicable Laws. As a material inducement to Landlord to allow Tenant to use Hazardous Materials in connection with its business, Tenant agrees to deliver to Landlord (a) a list identifying each type of Hazardous Material to be present at the Premises that is subject to regulation under any environmental Applicable Laws in the form of a Tier II form pursuant to Section 312 of the Emergency Planning and Community Right-to-Know Act of 1986 (or any successor statute) or any other form reasonably requested by Landlord, (b) a list of any and all approvals or permits from governmental authorities required in connection with the presence of such Hazardous Material at the Premises and (c) correct and complete copies of notices of violations of Applicable Laws related to Hazardous Materials (collectively, "**Hazardous Materials Documents**"). Tenant shall deliver to Landlord updated Hazardous Materials Documents, within fourteen (14) days after receipt of a written request therefor from Landlord, not more often than once per year, unless (m) there are any changes to the Hazardous Materials Documents or (n) Tenant initiates any Tenant Improvements or Alterations or changes its business, in either case in a way that involves any material increase in the types or amounts of Hazardous Materials. In the event that a review of the Hazardous Materials

Documents indicates non-compliance with this Lease or Applicable Laws, Tenant shall, at its expense, diligently take steps to bring its storage and use of Hazardous Materials into compliance. Notwithstanding anything in this Lease to the contrary or Landlord's review into Tenant's Hazardous Materials Documents or use or disposal of hazardous materials, however, Landlord shall not have and expressly disclaims any liability related to Tenant's or other tenants' use or disposal of Hazardous Materials, it being acknowledged by Tenant that Tenant is best suited to evaluate the safety and efficacy of its Hazardous Materials usage and procedures.

8.3. Tenant represents and warrants to Landlord that Tenant is not, nor has it been, in connection with the use, disposal or storage of Hazardous Materials, (a) subject to a material enforcement order issued by any governmental authority or (b) required to take any remedial action.

8.4. At any time, and from time to time, prior to the expiration of the Term, Landlord shall have the right to conduct appropriate tests of the Premises or any portion thereof to demonstrate that Hazardous Materials are present or that contamination has occurred due to the acts or omissions of a Tenant Party, the cost of which shall be an Operating Expense. Such inspections shall be made only after Landlord provides notice to and receives approval from the relevant regulatory authorities regarding the testing.

8.5. If underground or other storage tanks storing Hazardous Materials installed or utilized by Tenant are located on the Premises, or are hereafter placed on the Premises by Tenant (or by any other party, if such storage tanks are utilized by Tenant), then Tenant shall monitor the storage tanks, maintain appropriate records, implement reporting procedures, properly close any underground storage tanks, and take or cause to be taken all other steps necessary or required under the Applicable Laws.

8.6. Tenant shall promptly report to Landlord any actual or suspected presence of mold or water intrusion at the Premises.

8.7. Tenant's obligations under this Section 8 shall survive the expiration or earlier termination of the Lease. During any period of time needed by Tenant or Landlord after the termination of this Lease to complete the removal from the Premises of any such Hazardous Materials, Tenant shall be deemed a holdover tenant and subject to the provisions of Section 4.

8.8. As used herein, the term "**Hazardous Material**" means any toxic, explosive, corrosive, flammable, infectious, radioactive, carcinogenic, mutagenic or otherwise hazardous substance, material or waste that is or becomes regulated by Applicable Laws or any governmental authority.

9. Alterations.

9.1. Tenant shall not make any alterations, additions or improvements in or to the Premises or engage in any construction, demolition, reconstruction, renovation or other work (whether major or minor) of any kind in, at or serving the Premises ("**Alterations**"), without obtaining Landlord's prior written consent, which shall not be unreasonably withheld, except Tenant may make non-structural Alterations to the interior of the Premises (excluding the roof) without such consent but upon at least ten (10) days' prior notice to Landlord, provided that the cost thereof does not exceed [***] Dollars ($[***]) per occurrence or an aggregate amount of [***] Dollars ($[***]) annually. Notwithstanding the foregoing, Tenant will not do anything that could have a material adverse effect on any Building or life safety systems, without obtaining Landlord's prior written consent. Any such improvements, excepting movable furniture, trade fixtures and equipment, shall become part of the realty and belong to Landlord. All alterations and improvements shall be properly permitted and installed at Tenant's sole cost, by a licensed contractor, in a good and workmanlike manner, and in conformity with all Applicable Laws. Any alterations that Tenant shall desire to make and which require the consent of Landlord shall be presented to Landlord in written form with detailed plans. Tenant shall: (i) acquire all applicable governmental permits; (ii) furnish Landlord with copies of both the permits and the plans and specifications at least thirty (30) days before the commencement of the work, and (iii) comply with all conditions of said permits in a prompt and expeditious manner. Any alterations shall be performed in a workmanlike manner with good and sufficient materials. Upon completion of any Alterations, Tenant shall promptly upon completion furnish Landlord with a reproducible copy of as-built drawings and specifications for any Alterations.

9.2. At least twenty (20) days prior to commencing any work relating to any Alterations requiring the approval of Landlord that have been so approved, Tenant shall notify Landlord in writing of the expected date of commencement. Tenant shall pay, when due, all claims for labor or materials furnished to or for Tenant for use in improving the Premises. Tenant shall not permit any mechanics' or materialmen's liens to be levied against the Premises arising out of work performed, materials furnished, or obligations to have been performed on the Premises by or at the request of Tenant. Tenant shall indemnify, save, defend (at Landlord's option and with counsel reasonably acceptable to Landlord) and hold Landlord Indemnitees from and against any and all Claims of any kind or nature that arise before, during or after the Term on account of claims of lien of laborers or materialmen or others for work performed or materials or supplies furnished for Tenant or its contractors, agents or employees. If Tenant fails to discharge or undertake to defend against such liability, upon receipt of written notice from Landlord of such failure, Tenant shall have thirty (30) days (the "**Defense Cure Period**") to cure such failure by prosecuting such a defense. If Tenant fails to do so within the Defense Cure Period, then Landlord may settle the same and Tenant's liability to Landlord shall be conclusively established by such settlement provided that such settlement is entered into on commercially reasonable terms and conditions, the amount of such liability to include both the settlement consideration and the costs and expenses (including attorneys' fees) incurred by Landlord in effecting such settlement. In the event any contractor, agent or employee notifies Tenant of its intent to file a mechanics' or materialmen's lien against the Premises, Tenant shall immediately notify Landlord of such intention to file a lien or a lawsuit with respect to such lien.

9.3. Tenant shall repair any damage to the Premises caused by Tenant's removal of any property from the Premises. During any such restoration period, Tenant shall pay Rent to Landlord as provided herein as if such space were otherwise occupied by Tenant. The provisions of this Section shall survive the expiration or earlier termination of this Lease.

9.4. The Premises plus any Alterations, Tenant Improvements, attached equipment, decorations, fixtures and trade fixtures; movable casework and related appliances; and other additions and improvements attached to or built into the Premises made by either of the parties (including all floor and wall coverings; paneling; sinks and related plumbing fixtures; attached benches; production equipment; walk-in refrigerators; ductwork; conduits; electrical panels and circuits; attached machinery and equipment; and built-in furniture and cabinets, in each case, together with all additions and accessories thereto), shall (unless, prior to such construction or installation, Landlord elects otherwise in writing) at all times remain the property of Landlord, shall remain in the Premises and shall (unless, prior to construction or installation thereof, Landlord elects otherwise in writing) be surrendered to Landlord upon the expiration or earlier termination of this Lease. For the avoidance of doubt, the items listed on Exhibit B attached hereto (which Exhibit B may be updated by Tenant from and after the Commencement Date, subject to Landlord's written consent) constitute Tenant's property and shall be removed by Tenant upon the expiration or earlier termination of the Lease.

9.5. If Tenant shall fail to remove any of its property from the Premises prior to the expiration of the Term, then Landlord may, at its option, remove the same in any manner that Landlord shall choose and store such effects without liability to Tenant for loss thereof or damage thereto, and Tenant shall pay Landlord, upon demand, any costs and expenses incurred due to such removal and storage or Landlord may, at its sole option, without notice to Tenant and subject to approval from Massachusetts cannabis regulatory authorities as required for certain items, sell such property or any portion thereof at private sale and without legal process for such price as Landlord may obtain and apply the proceeds of such sale against any (a) amounts due by Tenant to Landlord under this Lease and (b) any expenses incident to the removal, storage and sale of such personal property.

9.6. Tenant shall reimburse Landlord for all third party costs actually incurred by Landlord in connection with any Alterations, including any non-structural Alterations that do not require Landlord’s prior consent.

9.7. Tenant shall require its contractors and subcontractors performing work on the Premises to name Landlord and its affiliates and any lender as additional insureds on their respective insurance policies, except to the extent that the same is not permitted by Massachusetts law or regulation.

10. Odors and Fumes. Tenant shall not cause or permit (or conduct any activities that would cause) any release of any odors or fumes of any kind from the Premises in excess of quantities prohibited by Applicable Law or any applicable CC&Rs. Tenant shall, at Tenant's sole cost and expense, provide odor eliminators and other devices (such as filters, air cleaners, scrubbers and whatever other equipment may in Landlord's judgment be necessary or appropriate from time to time) to abate any odors, fumes or other substances in Tenant's exhaust stream that, in Landlord's reasonable judgment, emanate from Tenant's Premises. Any work Tenant performs under this Section shall constitute Alterations. Tenant's responsibility to abate odors, fumes and exhaust shall continue throughout the Term. If Tenant fails to install satisfactory odor control equipment within thirty (30) days after Landlord's written demand made at any time, then Landlord may, without limiting Landlord's other rights and remedies, require Tenant to cease and suspend any operations in the Premises that, in Landlord's reasonable determination, cause odors, fumes or exhaust in violation of quantities allowed under Applicable Laws or any applicable CC&Rs.

11. Repairs and Maintenance.

11.1. Care of Premises. This Lease shall be deemed and construed to be an "absolute net lease." Tenant shall, at its sole cost and expense, keep the Premises in a working, neat, clean, sanitary, safe condition and repair, and shall keep the Premises free from trash. Tenant shall make all repairs or replacements thereon or thereto, whether ordinary or extraordinary. Without limiting the foregoing, Tenant’s obligations hereunder shall include the maintenance, repair and replacement of the foundation, roof (including roof membrane), walls and all other structural components of any Building; all heating, ventilation, air conditioning, plumbing, electrical, mechanical, utility and safety systems serving any Building or the Premises; the parking areas, roads and driveways located on the Premises; maintenance of exterior areas such as gardening and landscaping; snow removal and signage; maintenance and repair of flashings, gutters, downspouts, roof drains, skylights and waterproofing; and painting. Landlord shall not be required to furnish any services or facilities or to make any repairs, replacements or alterations of any kind in or on the Premises. Tenant shall receive all invoices and bills relative to the Premises and, except as otherwise provided herein, shall pay for all expenses directly to the person or company submitting a bill without first having to forward payment for the expenses to Landlord. Tenant hereby expressly waives the right to make repairs at the expense of Landlord as provided for in any Applicable Laws in effect at the time of execution of this Lease, or in any other Applicable Laws that may hereafter be enacted, and waives its rights under Applicable Laws relating to a landlord's duty to maintain its premises in a tenantable condition.

11.2. Service Contracts and Invoices. Tenant shall, promptly upon Landlord's written request therefor, provide Landlord with copies of all service contracts relating to the Tenant's maintenance of the Premises and invoices received from Tenant from such service providers.

11.3. Action by Landlord if Tenant Fails to Maintain. If Tenant refuses or neglects to repair or maintain the Premises as required hereunder to the reasonable satisfaction of Landlord, Landlord, at any time following ten (10) business days from the date on which Landlord shall make written demand on Tenant to affect such repair or maintenance, may, but shall not have the obligation to, make such repair and/or maintenance (without liability to Tenant for any loss or damage which may occur to Tenant's merchandise, fixtures or other personal property, or to Tenant's business by reason thereof unless caused by Landlord’s active gross negligence or intentional misconduct) and upon completion thereof, Tenant shall pay to Landlord as Landlord Additional Rent Landlord's reasonable costs for making such repairs, plus interest at the Default Rate from the date of expenditure by Landlord upon demand therefor. Moreover, Tenant's failure to pay any of the charges in connection with the performance of its maintenance and repair obligations under this Lease will constitute a material default under the Lease.

11.4. No Rent Abatement. There shall be no abatement of Rent and no liability of Landlord by reason of any injury to or interference with Tenant's business arising from the making of any repairs, alterations or improvements in or to any portion of the Premises, or in or to improvements, fixtures, equipment and personal property therein unless caused by Landlord’s active gross negligence or intentional misconduct.

11.5. Right of Entry. After providing the required notice to and receiving required approval from the relevant Massachusetts regulatory agencies, Landlord and Landlord's agents shall have the right to enter upon the Premises or any portion thereof for the purposes of performing any repairs or maintenance Landlord is permitted to make pursuant to this Lease, and of ascertaining the condition of the Premises or whether Tenant is observing and

performing Tenant's obligations hereunder, all without unreasonable interference from Tenant or Tenant Parties. Except for emergency maintenance or repairs, the right of entry contained in this paragraph shall be exercisable at reasonable times, at reasonable hours and on reasonable notice of not less than twenty-four (24) hours, subject to Tenant's authorized personnel accompanying Landlord's agents in sensitive areas of the Premises and conditioned upon the required approval and consent from Massachusetts cannabis regulatory agencies. For the absence of doubt, all subsequent references to Landlord's right of entry contained herein are subject to the same approval by the Massachusetts cannabis regulatory agencies. Landlord shall use commercially reasonable efforts to minimize interference with Tenant's use and operations.

12. Liens. Tenant shall keep the Premises free from any liens arising out of work or services performed, materials furnished to or obligations incurred by Tenant. Tenant further covenants and agrees that any mechanic's or materialman's lien filed against the Premises for work or services claimed to have been done for, or materials claimed to have been furnished to, or obligations incurred by Tenant shall be discharged or bonded by Tenant within twenty (20) days after the filing thereof, at Tenant's sole cost and expense. Should Tenant fail to discharge or bond against any lien of the nature described in this Section, Landlord may, at Landlord's election, pay such claim or otherwise provide security to eliminate the lien as a claim against title, and Tenant shall promptly reimburse Landlord for the costs thereof as Additional Rent. Tenant shall indemnify, save, defend (at Landlord's option and with counsel reasonably acceptable to Landlord) and hold the Landlord Indemnitees harmless from and against any Claims arising from any such liens, including any administrative, court or other legal proceedings related to such liens. In the event that Tenant leases or finances the acquisition of office equipment, furnishings or other personal property of a removable nature utilized by Tenant in the operation of Tenant's business, Tenant warrants that any Uniform Commercial Code financing statement shall, upon its face or by exhibit thereto, indicate that such financing statement is applicable only to removable personal property of Tenant located within the Premises.

13. Rules and Regulations and CC&Rs. Tenant shall faithfully observe and comply with and shall ensure that its contractors, subcontractors, employees, subtenants and invitees faithfully observe and comply with such reasonable and nondiscriminatory rules and regulations as are hereafter promulgated by Landlord provided that the same do not prohibit the Permitted Use or otherwise significantly interfere with Tenant's use and access to the Premises. This Lease is subject to any recorded covenants, conditions or restrictions on the Property or Premises, and any rules and regulations promulgated by the Association for the Project, in each case as the same may be amended, amended and restated, supplemented or otherwise modified from time to time (collectively, the "**CC&Rs**"). Tenant shall, at its sole cost and expense, comply with the CC&Rs.

14. Utilities and Services. Tenant shall make all arrangements for and pay for all water, sewer, gas, heat, light, power, telephone service and any other service or utility Tenant requires at the Premises. Landlord shall not be liable for any failure or interruption of any utility service being furnished to the Premises, and no such failure or interruption shall entitle Tenant to any abatement or right to terminate this Lease. In the event that any utilities are furnished by Landlord, Tenant shall pay to Landlord the cost thereof as an Operating Expense.

15. Estoppel Certificate. Tenant shall, within fifteen (15) business days after receipt of written notice from Landlord, execute, acknowledge and deliver a statement in writing substantially in the form attached to this Lease as Exhibit C, or on any other form reasonably requested by a current or proposed lender or encumbrancer or proposed purchaser, (a) certifying that this Lease is unmodified and in full force and effect (or, if modified, stating the nature of such modification and certifying that this Lease as so modified is in full force and effect) and the dates to which rental and other charges are paid in advance, if any, (b) acknowledging that there are not, to Tenant's knowledge, any uncured defaults on the part of Landlord hereunder, or specifying such defaults if any are claimed, and (c) setting forth such further information with respect to this Lease or the Premises as may be requested thereon. Each Guarantor shall, within ten (10) days after receipt of written notice from Landlord, execute, acknowledge and deliver a statement in writing in the same form. Tenant's or any Guarantor's failure to deliver any such statement within such the prescribed time shall be binding upon Tenant or such Guarantor (as applicable) that the Lease and such Guaranty are in full force and effect and without modification except as may be represented by Landlord in any certificate prepared by Landlord and delivered to Tenant or such Guarantor (as applicable) for execution.

16. Assignment or Subletting.

16.1. None of the following (each, a "**Transfer**"), either voluntarily or by operation of Applicable Laws, shall be directly or indirectly performed without Landlord's prior written consent: (a) Tenant selling, hypothecating, assigning, pledging, encumbering or otherwise transferring this Lease or subletting the Premises or (b) a controlling interest in Tenant being sold, assigned or otherwise transferred (other than as a result of shares in Tenant being sold on a public stock exchange or a Permitted Transfer as defined below). For purposes of the preceding sentence, "control" means (a) owning (directly or indirectly) more than fifty percent (50%) of the stock or other equity interests of another person or (b) possessing, directly or indirectly, the power to direct or cause the direction of the management and policies of such person.

16.2. In the event Tenant desires to effect a Transfer, then, at least thirty (30) but not more than ninety (90) days prior to the date when Tenant desires the Transfer to be effective (the "**Transfer Date**"), Tenant shall provide written notice to Landlord (the "**Transfer Notice**") containing information (including references) concerning the character of the proposed transferee, assignee or sublessee; the proposed Transfer Date; the most recent unconsolidated financial statements of Tenant and of the proposed transferee, assignee or sublessee ("**Required Financials**"); any ownership or commercial relationship between Tenant and the proposed transferee, assignee or sublessee; and the consideration and all other material terms and conditions of the proposed Transfer, all in such detail as Landlord shall reasonably require. In no event shall Landlord be deemed to be unreasonable for declining to consent to a Transfer to a transferee, assignee or sublessee of poor reputation, lacking financial qualifications or seeking a change in the Permitted Use, or jeopardizing directly or indirectly the status of Landlord or any of Landlord's affiliates as a Real Estate Investment Trust under the Internal Revenue Code of 1986, as amended from time to time.

16.3. The following are conditions precedent to a Transfer or to Landlord considering a request by Tenant to a Transfer:

16.3.1. Tenant shall remain fully liable under this Lease and each Guarantor shall continue to remain fully liable under such Guarantor's Guaranty, including with respect to the Term after the Transfer Date. Tenant agrees that it shall not be (and shall not be deemed to be) a guarantor or surety of this Lease, however, and waives its right to claim that it is a guarantor or surety or to raise in any legal proceeding any guarantor or surety defenses permitted by this Lease or by Applicable Laws;

16.3.2. Tenant shall provide Landlord with evidence reasonably satisfactory to Landlord that the value of Landlord's interest under this Lease shall not be diminished or reduced by the proposed Transfer. Such evidence shall include evidence respecting the relevant business experience and financial responsibility and status of the proposed transferee, assignee or sublessee;

16.3.3. Tenant shall reimburse Landlord for Landlord's actual out of pocket costs and expenses, including reasonable attorneys' fees, charges and disbursements incurred in connection with the review, processing and documentation of such request;

16.3.4. If Tenant's transfer of rights or sharing of the Premises provides for the receipt by, on behalf of or on account of Tenant of any consideration of any kind whatsoever (including a premium rental for a sublease or lump sum payment for an assignment, but excluding Tenant's reasonable costs in marketing and subleasing the Premises) in excess of the rental and other charges due to Landlord under this Lease, Tenant shall pay [***] percent ([***]%) of all of such excess to Landlord, after making deductions for any reasonable marketing expenses, tenant improvement funds expended by Tenant, alterations, cash concessions, brokerage commissions, attorneys' fees and free rent actually paid by Tenant. If such consideration consists of cash paid to Tenant, payment to Landlord shall be made upon receipt by Tenant of such cash payment;

16.3.5. The proposed transferee, assignee or sublessee shall agree that, in the event Landlord gives such proposed transferee, assignee or sublessee notice that Tenant is in default under this Lease, such proposed transferee, assignee or sublessee shall thereafter make all payments otherwise due Tenant directly to Landlord, which payments shall be received by Landlord without any liability being incurred by Landlord, except to credit such payment against those due by Tenant under this Lease, and any such proposed transferee, assignee or sublessee

shall agree to attorn to Landlord or its successors and assigns should this Lease be terminated for any reason; provided, however, that in no event shall Landlord or its Lenders, successors or assigns be obligated to accept such attornment;

16.3.6. Tenant shall not then be in default hereunder in any respect;

16.3.7. Such proposed transferee, assignee or sublessee's use of the Premises shall be the same as the Permitted Use;

16.3.8. Landlord shall not be bound by any provision of any agreement pertaining to the Transfer, except for Landlord's written consent to the same;

16.3.9. Tenant shall pay all transfer and other taxes (including interest and penalties) assessed or payable for any Transfer;

16.3.10. Landlord's consent (or waiver of its rights) for any Transfer shall not waive Landlord's right to consent or refuse consent to any later Transfer; and

16.3.11. Tenant shall deliver to Landlord a list of Hazardous Materials (as defined below), certified by the proposed transferee, assignee or sublessee to be true and correct, that the proposed transferee, assignee or sublessee intends to use or store in the Premises. Additionally, Tenant shall deliver to Landlord, on or before the date any proposed transferee, assignee or sublessee takes occupancy of the Premises, all of the items relating to Hazardous Materials of such proposed transferee, assignee or sublessee as described in Section 8.

16.4. Any Transfer that is not in compliance with the provisions of this Section or with respect to which Tenant does not fulfill its obligations pursuant to this Section shall be void and shall, at the option of Landlord, terminate this Lease.

16.5. Notwithstanding any Transfer, Tenant shall remain fully and primarily liable for the payment of all Rent and other sums due or to become due hereunder, and for the full performance of all other terms, conditions and covenants to be kept and performed by Tenant. The acceptance of Rent or any other sum due hereunder, or the acceptance of performance of any other term, covenant or condition thereof, from any person or entity other than Tenant shall not be deemed a waiver of any of the provisions of this Lease or a consent to any Transfer.

16.6. If Tenant delivers to Landlord a Transfer Notice indicating a desire to transfer this Lease to a proposed transferee, assignee or sublessee other than a Permitted Transferee, then Landlord shall have the option, exercisable by giving notice to Tenant within ten (10) days after Landlord's receipt of such Transfer Notice, to terminate this Lease as of the date specified in the Transfer Notice as the Transfer Date, except for those provisions that, by their express terms, survive the expiration or earlier termination hereof. If Landlord exercises such option, then Tenant shall have the right to withdraw such Transfer Notice by delivering to Landlord written notice of such election within five (5) business days after Landlord's delivery of notice electing to exercise Landlord's option to terminate this Lease. In the event Tenant withdraws the Transfer Notice as provided in this Section, this Lease shall continue in full force and effect. No failure of Landlord to exercise its option to terminate this Lease shall be deemed to be Landlord's consent to a proposed Transfer.

16.7. If Tenant sublets the Premises or any portion thereof, Tenant hereby immediately and irrevocably assigns to Landlord, as security for Tenant's obligations under this Lease, all rent from any such subletting, and appoints Landlord as assignee and attorney-in-fact for Tenant, and Landlord (or a receiver for Tenant appointed on Landlord's application) may collect such rent and apply it toward Tenant's obligations under this Lease; provided that, until the occurrence of a Default (as defined below) by Tenant, Tenant shall have the right to collect such rent.

16.8. Permitted Transfers. Notwithstanding the above, Tenant may assign its entire interest under this Lease or sublease all or a portion of the Premises without the consent of Landlord to: (i) an affiliate, subsidiary or parent of Tenant; (ii) any entity into which that Tenant or an affiliated party may merge or consolidate; (iii) any entity that acquires all or substantially all of the assets of Tenant; each a "**Permitted Transfer**" and such transferee a "**Permitted Transferee**", provided that (a) Tenant notifies Landlord at least twenty (20) days prior to the effective

date of any such Permitted Transfer, (b) Tenant is not in default and such assignment or sublease is not a subterfuge by Tenant to avoid its obligations under this Lease, (c) such Permitted Transferee shall have a tangible net worth (not including goodwill as an asset) computed in accordance with generally accepted accounting principles ("**Net Worth**") at least equal to the Net Worth of the original Tenant on the day immediately preceding the effective date of such assignment or sublease and reasonably sufficient to comply with the obligations under this Lease, (d) no assignment or sublease relating to this Lease, whether with or without Landlord's consent, shall relieve Tenant from any liability under this Lease, (e) the liability of such Permitted Transferee under either an assignment or sublease shall be joint and several with Tenant and each Guarantor; and (f) the parent company of any Permitted Transferee executes a Guaranty in favor of Landlord substantially in the form attached hereto as Exhibit D. Tenant's notice to Landlord shall include information and documentation showing that each of the above conditions has been satisfied. As used in this Section 16.8, (w) "parent" shall mean a company which owns a majority of Tenant's voting equity; (x) "subsidiary" shall mean an entity wholly owned by Tenant or at least fifty-one percent (51%) of whose voting equity is owned by Tenant; (y) "affiliate" shall mean an entity controlled by, controlling or under common control with Tenant; and (z) "control" shall mean the possession, direct or indirect, of the power to direct or cause the direction of the management and policies of a person or entity.

17. Indemnification and Exculpation.

17.1. Tenant agrees to indemnify, save, defend (at Landlord's option and with counsel reasonably acceptable to Landlord) and hold the Landlord Indemnitees harmless from and against any and all Claims of any kind or nature, real or alleged, arising from (a) injury to or death of any person or damage to any property occurring within or about the Premises arising directly or indirectly out of the presence at or use or occupancy of the Premises or Project by a Tenant Party, (b) an act or omission on the part of any Tenant Party; (c) a breach or default by Tenant in the performance of any of its obligations hereunder or (d) injury to or death of persons or damage to or loss of any property, real or alleged, arising from the serving of any intoxicating substances at the Premises or Project, except to the extent any of the foregoing are directly caused by Landlord's gross negligence or willful misconduct. Tenant's obligations under this Section shall not be affected, reduced or limited by any limitation on the amount or type of damages, compensation or benefits payable by or for Tenant under workers' compensation acts, disability benefit acts, employee benefit acts or similar legislation. Tenant's obligations under this Section shall survive the expiration or earlier termination of this Lease.

17.2. Notwithstanding anything in this Lease to the contrary, and except to the extent any of the foregoing are directly caused by Landlord's active gross negligence or willful misconduct, Landlord shall not be liable to Tenant for and Tenant assumes all risk of (a) damage or losses caused by fire, electrical malfunction, gas explosion or water damage of any type (including broken water lines, malfunctioning fire sprinkler systems, roof leaks or stoppages of lines), and (b) damage to personal property (in each case, regardless of whether such damages are foreseeable). Tenant further waives any claim for injury to Tenant's business or loss of income relating to any such damage or destruction of personal property as described in this Section. Notwithstanding anything in the foregoing or this Lease to the contrary, except as otherwise provided herein or as may be required by Applicable Laws, in no event shall Landlord be liable to Tenant for any consequential, special or indirect damages arising out of this Lease, including lost profits.

17.3. Landlord shall not be liable for any damages arising from any act, omission or neglect of any third party.

17.4. The provisions of this Section shall survive the expiration or earlier termination of this Lease.

18. Insurance; Waiver of Subrogation.

18.1. Landlord shall maintain a policy or policies of insurance protecting Landlord against the following (all of which shall be payable by Tenant as Operating Expenses):

18.1.1. Fire and other perils normally included within the classification of fire and extended coverage, together with insurance against vandalism and malicious mischief, to the extent of the full replacement cost of the Premises, including, at Landlord's option, flood coverage, exclusive of trade fixtures, equipment and

improvements insured by Tenant, with agreed value, full replacement and other endorsements which Landlord may elect to maintain;

18.1.2. Fifteen (15) months of rental loss insurance and to the extent of 100% of the gross rentals from the Premises;

18.1.3. Comprehensive general liability insurance with a single limit of not less than $[***] for bodily injury or death and property damage with respect to the Premises, a general aggregate not less than $[***] for bodily injury or death and property damage with respect to the Premises, and not less than $[***] of excess umbrella liability insurance; and

18.1.4. At Landlord's sole option, environmental liability or environmental clean-up/remediation insurance in such amounts and with such deductibles and other provisions as Landlord may determine in its sole and absolute discretion.

Notwithstanding the foregoing, Landlord may, at Landlord’s option, forego procuring and/or maintaining one or more of the foregoing policies of insurance to the extent that such coverage is being maintained separately by the Association, and Landlord may, at Landlord's option, request that Tenant procure and/or maintain, and pay directly, for one or more the foregoing policies of insurance, in which case Tenant shall exercise reasonable efforts to promptly procure such policies of insurance (or maintain such policies of insurance, as the case may be), and Landlord may require Tenant to name Landlord and Landlord's related parties as loss payees, in addition to other customary provisions related to Landlord's status as the owner of the Property. Landlord and Tenant agree to reasonably cooperate with one another and the Association to ensure that the insurance policies procured and maintained by Landlord, Tenant and the Association, respectively, provide for the coverages outlined in this Section 18 without unnecessarily duplicating costs for such coverages.

18.2. Tenant shall, at its own cost and expense, procure and maintain during the Term the following insurance for the benefit of Tenant and Landlord (as their interests may appear) with insurers financially acceptable and lawfully authorized to do business in the state where the Premises are located:

18.2.1. Commercial General Liability insurance on a broad-based occurrence coverage form, with coverages including but not limited to bodily injury (including death), property damage (including loss of use resulting therefrom), premises/operations, personal & advertising injury, and contractual liability with limits of liability of not less than $[***] for bodily injury and property damage per occurrence, $[***] general aggregate, which limits may be met by use of excess and/or umbrella liability insurance provided that such coverage is at least as broad as the primary coverages required herein.

18.2.2. Commercial Automobile Liability insurance covering liability arising from the use or operation of any auto, including those owned, hired or otherwise operated or used by or on behalf of the Tenant. The coverage shall be on a broad-based occurrence form with combined single limits of not less than $[***] per accident for bodily injury and property damage.

18.2.3. Commercial Property insurance covering property damage to the full replacement cost value and business interruption. Covered property shall include all tenant improvements in the Premises (to the extent not insured by Landlord or the Association) and Tenant's property including personal property, furniture, fixtures, machinery, equipment, stock, inventory and improvements and betterments, which may be owned by Tenant or Landlord and required to be insured hereunder, or which may be leased, rented, borrowed or in the care custody or control of Tenant, or Tenant's agents, employees or subcontractors. Such insurance, with respect only to all Alterations, Tenant Improvements or other work performed on the Premises by Tenant (collectively, "**Tenant Work**"), shall name Landlord and Landlord's current and future mortgagees as loss payees as their interests may appear. Such insurance shall be written on an "all risk" of physical loss or damage basis including the perils of fire, extended coverage, electrical injury, mechanical breakdown, windstorm, vandalism, malicious mischief, sprinkler leakage, back-up of sewers or drains, flood, earthquake, terrorism and such other risks Landlord may from time to time designate, for the full replacement cost value of the covered items with an agreed amount endorsement with no co-insurance. Business interruption coverage shall have limits sufficient to cover Tenant's lost profits and necessary

continuing expenses, including rents due Landlord under the Lease. The minimum period of indemnity for business interruption coverage shall be twelve (12) months plus twelve (12) months' extended period of indemnity.

18.2.4. Workers' Compensation insurance as is required by statute or law, or as may be available on a voluntary basis and Employers' Liability insurance with limits of not less than the following: each accident, [***] Dollars ($[***]); disease, [***] Dollars ($[***]); disease (each employee), [***] Dollars ($[***]).

18.2.5. Pollution Legal Liability insurance is required (a) if Tenant stores, handles, generates or treats Hazardous Materials, as determined solely by Landlord, on or about the Premises, and (b) to the extent Landlord is not maintaining environmental insurance coverage pursuant to Section 18.1.4. Such coverage shall include bodily injury, sickness, disease, death or mental anguish or shock sustained by any person; property damage including physical injury to or destruction of tangible property including the resulting loss of use thereof, clean-up costs, and the loss of use of tangible property that has not been physically injured or destroyed; and defense costs, charges and expenses incurred in the investigation, adjustment or defense of claims for such compensatory damages. Coverage shall apply to both sudden and non-sudden pollution conditions including the discharge, dispersal, release or escape of smoke, vapors, soot, fumes, acids, alkalis, toxic chemicals, liquids or gases, waste materials or other irritants, contaminants or pollutants into or upon land, the atmosphere or any watercourse or body of water. Claims-made coverage is permitted, provided the policy retroactive date is continuously maintained prior to the commencement date of this Lease, and coverage is continuously maintained during all periods in which Tenant occupies the Premises. Coverage shall be maintained with limits of not less than $[***] per incident with a $[***] policy aggregate and for a period of two (2) years thereafter.;

18.3. During all construction by Tenant at the Premises, with respect to tenant improvements being constructed (including the Tenant Improvements and any Alterations), Tenant shall cause the insurance required in Exhibit E-1 to be in place.

18.4. The insurance required of Tenant by this Section shall be with companies at all times having a current rating of not less than A- and financial category rating of at least Class VII in "A.M. Best's Insurance Guide" current edition. Tenant shall obtain for Landlord from the insurance companies/broker or cause the insurance companies/broker to furnish certificates of insurance evidencing all coverages required herein to Landlord. Landlord reserves the right to require complete, certified copies of all required insurance policies including any endorsements. To the extent such provision is available from the insurance company, no such policy shall be cancelable or subject to reduction of coverage or other modification or cancellation except after twenty (20) days' prior written notice to Landlord from Tenant or its insurers (except in the event of non-payment of premium, in which case ten (10) days' written notice shall be given). All such policies shall be written as primary policies, not contributing with and not in excess of the coverage that Landlord may carry. Tenant's required policies shall contain severability of interests clauses stating that, except with respect to limits of insurance, coverage shall apply separately to each insured or additional insured. Tenant shall, at least twenty-five (25) days prior to the expiration of such policies, furnish Landlord with renewal certificates of insurance or binders. Tenant agrees that if Tenant does not take out and maintain such insurance, Landlord may (but shall not be required to) procure such insurance on Tenant's behalf and at its cost to be paid by Tenant as Additional Rent. Commercial General Liability, Commercial Automobile Liability, Umbrella Liability and Pollution Legal Liability insurance as required above shall name Landlord, IIP Operating Partnership, LP and Innovative Industrial Properties, Inc. and their respective officers, employees, agents, general partners, members, subsidiaries, affiliates and Lenders ("**Landlord Parties**") as additional insureds as respects liability arising from work or operations performed by or on behalf of Tenant, Tenant's use or occupancy of Premises, and ownership, maintenance or use of vehicles by or on behalf of Tenant.

18.5. Tenant assumes the risk of damage to any fixtures, goods, inventory, merchandise, equipment and leasehold improvements, and Landlord shall not be liable for injury to Tenant's business or any loss of income therefrom, relative to such damage, all as more particularly set forth within this Lease. Tenant shall, at Tenant's sole cost and expense, carry such insurance as Tenant desires for Tenant's protection with respect to personal property of Tenant or business interruption.

18.6. Each party and its insurers hereby waive any and all rights of recovery or subrogation against the other party with respect to any loss, damage, claims, suits or demands, howsoever caused, that are covered, or

should have been covered, by valid and collectible insurance, including any deductibles or self-insurance maintained thereunder. If necessary, either party agrees to endorse the required insurance policies to permit waivers of subrogation as required hereunder and hold harmless and indemnify the other party for any loss or expense incurred as a result of a failure to obtain such waivers of subrogation from insurers. Such waivers shall continue so long as the parties' insurers so permit. Any termination of such a waiver shall be by written notice to the other, containing a description of the circumstances hereinafter set forth in this Section. Each party, upon obtaining the policies of insurance required or permitted under this Lease, shall give notice to its insurance carriers that the foregoing waiver of subrogation is contained in this Lease. If such policies shall not be obtainable with such waiver or shall be so obtainable only at a premium over that chargeable without such waiver, then Tenant shall notify Landlord of such conditions.

18.7. Landlord may require insurance policy limits required under this Lease to be raised to conform with requirements of Landlord's lender, if any.

18.8. Any costs incurred by Landlord pursuant to this Section shall be included as Operating Expenses payable by Tenant pursuant to this Lease.

18.9. The provisions of this Section shall survive the expiration or earlier termination of this Lease.

19. Subordination and Attornment.

19.1. This Lease shall be subject and subordinate to the lien of any mortgage, deed of trust, or lease in which Landlord is tenant now or hereafter in force against the Premises or any portion thereof and to all advances made or hereafter to be made upon the security thereof without the necessity of the execution and delivery of any further instruments on the part of Tenant to effectuate such subordination.

19.2. Notwithstanding the foregoing, Tenant shall execute and deliver upon demand such further instrument or instruments evidencing such subordination of this Lease to the lien of any such mortgage or mortgages or deeds of trust or lease in which Landlord is tenant as may be required by Landlord provided such party recognizes Tenant's rights under the Lease. If any such mortgagee, beneficiary or landlord under a lease wherein Landlord is tenant (each, a "**Mortgagee**") so elects, however, this Lease shall be deemed prior in lien to any such lease, mortgage, or deed of trust upon or including the Premises regardless of date and Tenant shall execute a statement in writing to such effect at Landlord's request. If Tenant fails to execute any document required from Tenant under this Section within ten (10) business days after written request therefor, Tenant hereby constitutes and appoints Landlord or its special attorney-in-fact to execute and deliver any such document or documents in the name of Tenant. Such power is coupled with an interest and is irrevocable.

19.3. Upon written request of Landlord and opportunity for Tenant to review, Tenant agrees to execute any Lease amendments not materially altering the terms of this Lease, if reasonably required by a Mortgagee incident to the financing of the real property of which the Premises constitute a part.

19.4. In the event any proceedings are brought for foreclosure, or in the event of the exercise of the power of sale under any mortgage or deed of trust made by Landlord covering the Premises, Tenant shall at the election of the purchaser at such foreclosure or sale attorn to the purchaser upon any such foreclosure or sale and recognize such purchaser as Landlord under this Lease provided Tenant's rights under the Lease are not disturbed so long as Tenant is not default of its obligations hereunder.

20. Defaults and Remedies.

20.1. Late payment by Tenant to Landlord of Rent and other sums due shall cause Landlord to incur costs not contemplated by this Lease, the exact amount of which shall be extremely difficult and impracticable to ascertain. Such costs include processing and accounting charges and late charges that may be imposed on Landlord by the terms of any mortgage or trust deed covering the Premises. Therefore, if any installment of Rent due from Tenant is not received by Landlord within five (5) days after the date such payment is due, Tenant shall pay to Landlord (a) an additional sum of [***] percent ([***]%) of the overdue Rent as a late charge plus (b) interest at an annual rate (the "**Default Rate**") equal to the lesser of (a) [***] percent ([***]%) and (b) the highest rate permitted

by Applicable Laws. The parties agree that this late charge represents a fair and reasonable estimate of the costs that Landlord shall incur by reason of late payment by Tenant and shall be payable as Additional Rent to Landlord due with the next installment of Rent. Landlord's acceptance of any Additional Rent (including a late charge or any other amount hereunder) shall not be deemed an extension of the date that Rent is due or prevent Landlord from pursuing any other rights or remedies under this Lease, at law or in equity.

20.2. No payment by Tenant or receipt by Landlord of a lesser amount than the Rent payment herein stipulated shall be deemed to be other than on account of the Rent, nor shall any endorsement or statement on any check or any letter accompanying any check or payment as Rent be deemed an accord and satisfaction, and Landlord may accept such check or payment without prejudice to Landlord's right to recover the balance of such Rent or pursue any other remedy provided in this Lease or in equity or at law.

20.3. If Tenant fails to pay any sum of money required to be paid by it hereunder or perform any other act on its part to be performed hereunder, in each case within the applicable cure period (if any) described herein, then Landlord may (but shall not be obligated to), without waiving or releasing Tenant from any obligations of Tenant, make such payment or perform such act. Notwithstanding the foregoing, in the event of an emergency, Landlord shall have the right to enter the Premises and act in accordance with its rights as provided elsewhere in this Lease. Tenant shall pay to Landlord as Additional Rent all sums so paid or incurred by Landlord, together with interest at the Default Rate, computed from the date such sums were paid or incurred.

20.4. The occurrence of any one or more of the following events shall constitute a "**Default**" hereunder by Tenant:

20.4.1. Tenant abandons or vacates the Premises;

20.4.2. Tenant fails to make any payment of Rent, as and when due, where such failure shall continue for a period of five (5) days after written notice thereof from Landlord to Tenant;

20.4.3. Tenant fails to observe or perform any obligation or covenant contained herein that is not otherwise described in this Section 20.4, and such failure (if susceptible to cure) is not cured within thirty (30) days after Tenant’s receipt of written notice from Landlord of such default, provided that if such default cannot reasonably be cured within thirty (30) days, then Tenant shall not be in Default so long as Tenant commences to cure such default within such thirty (30) day period and thereafter pursues such cure to completion, provided such cure period shall in no event exceed ninety (90) days;

20.4.4. Tenant makes an assignment for the benefit of creditors, or a receiver, trustee or custodian is appointed to or does take title, possession or control of all or substantially all of Tenant's or any Guarantor's assets;

20.4.5. Tenant or any Guarantor files a voluntary petition under the United States Bankruptcy Code or any successor statute (as the same may be amended from time to time, the "**Bankruptcy Code**") or an order for relief is entered against Tenant or any Guarantor (as applicable) pursuant to a voluntary or involuntary proceeding commenced under any chapter of the Bankruptcy Code;

20.4.6. Any involuntary petition is filed against Tenant or any Guarantor under any chapter of the Bankruptcy Code and is not dismissed within one hundred twenty (120) days;

20.4.7. A default exists under any Guaranty executed by a Guarantor in favor of Landlord, after the expiration of any applicable notice and cure periods;

20.4.8. Tenant's interest in this Lease is attached, executed upon or otherwise judicially seized and such action is not released within one hundred twenty (120) days of the action;

20.4.9. A governmental authority seizes any part of the Property seeking forfeiture, whether or not a judicial forfeiture proceeding has commenced;

20.4.10. A final, appealable judgment having the effect of establishing that Tenant's operation violates Landlord's contractual obligations (i) pursuant to any private covenants of record restricting Landlord's Buildings comprising the Premises or (ii) of good faith and fair dealing to any third party, including other occupants or owners of any other building within the Project; or

20.4.11. An event occurs that results in any insurance carrier that provides insurance coverage with respect to any aspect of the Property providing notice to the Landlord of its intent to cancel such insurance coverage, and Landlord, exercising commercially reasonable efforts, is not able to procure comparable replacement insurance coverage that is reasonably acceptable to Landlord prior to the actual cancellation date specified in the notice from the cancelling insurance carrier.

20.5. Notices given under this Section shall specify the alleged default and shall demand that Tenant perform the provisions of this Lease or pay the Rent that is in arrears, as the case may be, within the applicable period of time, or quit the Premises. No such notice shall be deemed a forfeiture or a termination of this Lease unless Landlord elects otherwise in such notice.

20.6. In the event of a Default by Tenant, and at any time thereafter, with or without notice or demand and without limiting Landlord in the exercise of any right or remedy that Landlord may have under Applicable Laws or this Lease, Landlord has the right to do any or all of the following:

20.6.1. Halt any Tenant Improvements or Alterations and order Tenant's contractors to stop work;

20.6.2. Terminate Tenant's right to possession of the Premises by written notice to Tenant or by any lawful means, in which case Tenant shall immediately surrender possession of the Premises to Landlord. In such event, Landlord shall have the immediate right to re-enter and remove all persons and property, and such property may be removed and stored elsewhere at the cost and for the account of Tenant, all without service of notice or resort to legal process and without being deemed guilty of trespass or becoming liable for any loss or damage; and

20.6.3. Terminate this Lease, in which event Tenant shall immediately surrender possession of the Premises to Landlord. In such event, Landlord shall have the immediate right to re-enter and remove all persons and property, and such property may be removed and stored elsewhere at the cost and for the account of Tenant, pursuant to legal process and without being deemed guilty of trespass or becoming liable for any loss or damage. In the event that Landlord shall elect to so terminate this Lease, then Landlord shall be entitled to recover from Tenant all damages incurred by Landlord by reason of Tenant's default, including:

20.6.3.1. The sum of: (i) the worth at the time of award (computed by allowing interest at the Default Rate) of any unpaid Rent that had accrued at the time of such termination; plus (ii) the worth at the time of award of the amount by which the unpaid Rent that would have accrued during the period commencing with termination of the Lease and ending at the time of award exceeds that portion of the loss of Landlord's rental income from the Premises that Tenant proves to Landlord's reasonable satisfaction could have been reasonably avoided; plus; (iii) the worth at the time of award of the amount by which the unpaid Rent for the balance of the Term after the time of award exceeds that portion of the loss of Landlord's rental income from the Premises that Tenant proves to Landlord's reasonable satisfaction could have been reasonably avoided; plus (iv) any other amount necessary to compensate Landlord for all the detriment caused by Tenant's failure to perform its obligations under this Lease or that in the ordinary course of things would be likely to result therefrom, including the cost of restoring the Premises to the condition required under the terms of this Lease, including any rent payments not otherwise chargeable to Tenant (e.g., during any "free" rent period or rent holiday); plus (v) At Landlord's election, such other amounts in addition to or in lieu of the foregoing as may be permitted from time to time by Applicable Laws; or

20.6.3.2. At Landlord's election, as minimum liquidated damages in addition to any (A) amounts paid or payable to Landlord pursuant to Section 20.6.3.1.(i) prior to such election and (B) costs of restoring the Premises to the condition required under the terms of this Lease, an amount (the "**Election Amount**") equal to either (Y) the positive difference (if any, and measured at the time of such termination) between (1) the then-present value of the total Rent and other benefits that would have accrued to Landlord under this Lease for the remainder of

the Term if Tenant had fully complied with the Lease minus (2) the then-present cash rental value of the Premises as determined by Landlord for what would be the then-unexpired Term if the Lease remained in effect, computed using the discount rate of the Federal Reserve Bank of San Francisco at the time of the award plus one (1) percentage point (the "**Discount Rate**") or (Z) twelve (12) months (or such lesser number of months as may then be remaining in the Term) of Base Rent and Additional Rent at the rate last payable by Tenant pursuant to this Lease, in either case as Landlord specifies in such election. Landlord and Tenant agree that the Election Amount represents a reasonable forecast of the minimum damages expected to occur in the event of a breach, taking into account the uncertainty, time and cost of determining elements relevant to actual damages, such as fair market rent, time and costs that may be required to re-lease the Premises, and other factors; and that the Election Amount is not a penalty.

20.7. In addition to any other remedies available to Landlord at law or in equity and under this Lease, Landlord may continue this Lease in effect after Tenant's Default or abandonment and recover Rent as it becomes due. In addition, Landlord shall not be liable in any way whatsoever for its failure or refusal to relet the Premises. For purposes of this Section, the following acts by Landlord will not constitute the termination of Tenant's right to possession of the Premises: Acts of maintenance or preservation or efforts to relet the Premises, including alterations, remodeling, redecorating, repairs, replacements or painting as Landlord shall consider advisable for the purpose of reletting the Premises or any part thereof; or the appointment of a receiver upon the initiative of Landlord to protect Landlord's interest under this Lease or in the Premises.

20.8. Notwithstanding the foregoing, in the event of a Default by Tenant, Landlord may elect at any time to terminate this Lease and to recover damages to which Landlord is entitled.

20.9. If Landlord does not elect to terminate this Lease as provided in this Section 20, then Landlord may, from time to time, recover all Rent as it becomes due under this Lease. At any time thereafter, Landlord may elect to terminate this Lease and to recover damages to which Landlord is entitled.

20.10. All of Landlord's rights, options and remedies hereunder shall be construed and held to be nonexclusive and cumulative. Notwithstanding any provision of this Lease to the contrary, in no event shall Landlord be required to mitigate its damages with respect to any default by Tenant, except as required by Applicable Laws. Any such obligation imposed by Applicable Laws upon Landlord to relet the Premises after any termination of this Lease shall be subject to the reasonable requirements of Landlord to lease to high quality tenants on such terms as Landlord may from time to time deem appropriate in its discretion. Landlord shall not be obligated to relet the Premises to any party (i) reasonably unacceptable to a Lender, (ii) that desires to change the Permitted Use, or (iii) that desires to lease the Premises for less than the remaining Term.

20.11. To the extent permitted by Applicable Laws, Tenant waives any and all rights of redemption granted by or under any present or future Applicable Laws if Tenant is evicted or dispossessed for any cause, or if Landlord obtains possession of the Premises due to Tenant's default hereunder or otherwise.

20.12. Landlord shall not be in default or liable for damages under this Lease unless Landlord fails to perform obligations required of Landlord within thirty (30) days after written notice from Tenant, or if the failure to perform such obligation cannot be reasonably cured within thirty (30) days, within such time as may be reasonably required to perform such obligation provided that Landlord commences and diligently pursues such cure within the first thirty (30) days. In no event shall Tenant have the right to terminate or cancel this Lease or to withhold or abate rent or to set off any Claims against Rent as a result of any default or breach by Landlord of any of its covenants, obligations, representations, warranties or promises hereunder, except as may otherwise be expressly set forth in this Lease.

20.13. In the event of any default by Landlord, Tenant shall give notice by registered or certified mail to any (a) beneficiary of a deed of trust or (b) mortgagee under a mortgage covering the Premises or any portion thereof and to any landlord of any lease of land upon or within which the Premises are located, and shall offer such beneficiary, mortgagee or landlord a reasonable opportunity to cure the default, including time to obtain possession of the Premises by power of sale or a judicial action if such should prove necessary to effect a cure; provided that Landlord shall furnish to Tenant in writing, upon written request by Tenant, the names and addresses of all such persons who are to receive such notices.

21. Damage or Destruction.

21.1. Tenant's Obligation to Rebuild. If the Premises are damaged or destroyed, Tenant shall immediately provide notice thereof to Landlord, and shall promptly thereafter deliver to Landlord Tenant's good faith estimate of the time it will take to repair and rebuild the Premises (the "Estimated Time For Repair"). Subject to the other provisions of this Section 21, Tenant shall promptly and diligently repair and rebuild the Premises in accordance with this Section 21 unless Landlord or Tenant terminates this Lease in accordance with Section 21.2.

21.2. Termination.

21.2.1. Landlord's Right to Terminate.

21.2.1.1. Landlord shall have the right to terminate this Lease following damage to or destruction of all or a substantial portion of the Premises if any of the following occurs (each, a "**Termination Condition**"): (i) insurance proceeds, together with additional amounts Tenant agrees to contribute under this Section 21, are not confirmed to be available to Landlord, within 90 days following the date of damage, to pay 100% of the cost to fully repair the damaged Premises, excluding the deductible for which Tenant shall also be responsible for paying as an Operating Expense; (ii) based upon the Estimated Time For Repair, the Premises cannot, with reasonable diligence, be fully repaired by Tenant within eighteen (18) months after the date of the damage or destruction; (iii) the Premises cannot be safely repaired because of the presence of hazardous factors, including, but not limited to, earthquake faults, chemical waste and other similar dangers; (iv) subject to the terms and conditions of Section 21.2.1.1. hereof, all or a substantial portion of the Premises are destroyed or damaged during the last 24 months of the Term; or (v) Tenant is in Default at the time of such damage or destruction past any period of notice and cure as elsewhere provided in this Lease. For purposes of this Section 21.2, a "substantial portion" of the Premises shall be deemed to be damaged or destroyed if the Premises is rendered unsuitable for the continued use and occupancy of Tenant's business substantially in the same manner conducted prior to the event causing the damage or destruction.

21.2.1.2. If all or a substantial portion of the Premises are destroyed or damaged within the last twenty-four (24) months of the initial Term, or within the last twenty-four (24) months of the first Extension Period under this Lease, and Landlord desires to terminate this Lease under Section 21.2.1.1. hereof, Landlord shall deliver a Termination Notice to Tenant pursuant to Section 21.2.3 below and Tenant shall have a period of thirty (30) days after receipt of the Termination Notice ("**Tenant's Early Option Period**") to exercise its option to extend the initial Term or the first Extension Period, as applicable, by providing Landlord with written notice of Tenant's exercise of its respective option prior to the expiration of Tenant's Early Option Period. If Tenant exercises its option rights under the immediately preceding sentence, the Termination Notice shall be deemed rescinded and Tenant shall proceed to repair and rebuild the Premises in accordance with the other provisions of this Section 21. If Tenant fails to deliver such written notice to Landlord prior to the end of Tenant's Early Option Period, then Tenant shall be deemed to have waived its option to extend the Term, and the last day of Tenant's Early Option Period shall be deemed to be the date of the occurrence of the Termination Condition under Section 21.2.1.1.

21.2.2. Tenant's Right to Terminate. Tenant shall have the right to terminate this Lease following damage to or destruction of all or a substantial portion of the Premises if the Premises are destroyed or damaged during the last twenty-four (24) months of the Term or any Extension, which termination shall be deemed to constitute a Termination Condition.

21.2.3. Exercise of Termination Right. If a party elects to terminate this Lease and has the right to so terminate, such party will give the other party written notice of its election to terminate ("**Termination Notice**") within thirty (30) days after the occurrence of the applicable Termination Condition, and this Lease will terminate fifteen (15) days after the receiving party's receipt of such Termination Notice, except in the case of a termination by Landlord under Section 21.2.1.1., in which case this Lease will terminate fifteen (15) days after expiration of the Tenant Early Option Period if Tenant timely fails to exercise timely Tenant's option to extend the Term. If this Lease is terminated pursuant to Section 21.2, Landlord shall, subject to the rights of its lender(s), be entitled to receive and retain all the insurance proceeds resulting from such damage, including rental loss insurance,

except for those proceeds payable under policies obtained by Tenant which specifically insure Tenant's personal property, trade fixtures and machinery.

21.3. Tenant's Obligation to Repair. If Tenant is required to repair or rebuild any damage or destruction of the Premises under Section 21.1, then Tenant shall (a) submit its plans to repair such damage and reconstruct the Premises to Landlord for review and approval, which approval shall not be unreasonably withheld; (b) diligently repair and rebuild the Premises in the same or better condition and with the same or better quality of materials as the condition of the Premises as of the Commencement Date, and in a manner that is consistent with the plans and specifications approved by Landlord; (c) obtain all permits and governmental approvals necessary to repair or reconstruct the Premises (which permits shall not contain any conditions that are materially more restrictive than the permits in existence on the date hereof); (d) cause all work to be performed only by qualified contractors that are reasonably approved by Landlord; (e) allow Landlord and its consultants and agents to enter the Premises at all reasonable times to inspect the Premises and Tenant's ongoing work and cooperate reasonably in good faith with their effort to ensure that the work is proceeding in a manner that is consistent with this Lease; (f) comply with all applicable laws and permits in connection with the performance of such work; (g) timely pay all of its consultants, suppliers and other contractors in connection with the performance of such work; (h) notify Landlord if Tenant receives any notice of any default or any violation of any applicable law or any permit or similar notice in connection with such work; (i) deliver as-built plans for the Premises within thirty (30) days after the completion of such repair and restoration; (j) ensure that Landlord has fee simple title to the Premises during such work without any claim by any contractor or other party; (k) maintain such insurance as Landlord may reasonably require (including insurance in the nature of builders' risk insurance) and (l) comply with such other conditions as Landlord may reasonably require. In addition, Tenant shall, at its expense, replace or fully repair all of Tenant's personal property and any alterations installed by Tenant existing at the time of such damage or destruction that are not otherwise covered by landlord’s insurance for the Buildings. To the fullest extent permitted by law, Tenant shall indemnify, protect, defend and hold Landlord (and its employees and agents) harmless from and against any and all claims, costs, expenses, suits, judgments, actions, investigations, proceedings and liabilities arising out of or in connection with Tenant's obligations under this Section 21, including, without limitation, any acts, omissions or negligence in the making or performance of any such repairs or replacements. In the event Tenant does not repair and rebuild the Premises pursuant to this Section 21, Tenant shall be in breach, and Landlord shall have the right to retain all casualty insurance proceeds and condemnation proceeds.

21.4. Application of Insurance Proceeds for Repair and Rebuilding. Landlord shall cause the insurance proceeds (the "**Insurance Proceeds**") on account of such damage or destruction to be held by Landlord and disbursed as follows:

21.4.1. Minor Restorations. If (i) the estimated cost of restoration is less than [***] Dollars ($[***]), (ii) prior to commencement of restoration, no Default shall exist and no mechanics' or materialmen's liens shall have been filed and remain undischarged, (iii) the architects, contracts, contractors, plans and specifications for the restoration shall have been approved by Landlord (which approval shall not be unreasonably withheld or delayed), and (iv) Landlord shall be provided with reasonable assurance against mechanics' liens, accrued or incurred, as Landlord or its lenders may reasonably require and such other documents and instruments as Landlord or its lenders may reasonably require, then Landlord shall make available that portion of the Insurance Proceeds to Tenant for application to pay the costs of restoration incurred by Tenant and Tenant shall promptly complete such restoration.

21.4.2. Other Than Minor Restorations. If the estimated cost of restoration is equal to or exceeds [***] Dollars ($[***]), and if Tenant provides evidence satisfactory to Landlord that sufficient funds are available to restore the Premises, Landlord shall make disbursements from the available Insurance Proceeds from time to time in an amount not exceeding the cost of the work completed since the date covered by the last disbursement, upon receipt of (a) satisfactory evidence, including architect's certificates, of the stage of completion, of the estimated cost of completion and of performance of the work to date in a good and workmanlike manner in accordance with the contracts, plans and specifications, (b) reasonable assurance against mechanics' or materialmen's liens, accrued or incurred, as Landlord or its lenders may reasonably require, (c) contractors' and subcontractors' sworn statements, (d) a satisfactory bring-to-date of title insurance, (e) performance and payment bonds reasonably acceptable to Landlord in an amount and form, and from a surety, reasonably acceptable to Landlord, and naming Landlord as an

additional obligee, (f) such other documents and instruments as Landlord or its lenders may reasonably require, and (g) other evidence of cost and payment so that Landlord can verify that the amounts disbursed from time to time are represented by work that is completed, in place and free and clear of mechanics' lien claims.

21.4.3. Requests for Disbursements. Requests for disbursement shall be made no more frequently than monthly and shall be accompanied by a certificate of Tenant describing in detail the work for which payment is requested, stating the cost incurred in connection therewith and stating that Tenant has not previously received payment for such work; the certificate to be delivered by Tenant upon completion of the work shall, in addition, state that the work has been completed and complies with the applicable requirements of this Lease. Landlord may retain 5% of each requisition until the restoration is fully completed, provided that Landlord shall release retainage as to specific trades once their portion of the restoration work is completed. In addition, Landlord may withhold from amounts otherwise to be paid to Tenant, any amount that is necessary in Landlord's reasonable judgment to protect Landlord from any potential loss due to work that is improperly performed or claims by Tenant's contractors and consultants.

21.4.4. Costs in Excess of Insurance Proceeds. In addition, prior to commencement of restoration and at any time during restoration, if the estimated cost of restoration, as determined by the evaluation of an independent engineer acceptable to Landlord and Tenant, exceeds the amount of the Insurance Proceeds, Tenant will provide evidence satisfactory to Landlord that the amount of such excess will be available to restore the Premises. Any Insurance Proceeds remaining upon completion of restoration shall be refunded to Tenant up to the amount of Tenant's payments pursuant to the immediately preceding sentence. If no such refund is required, any sum of Insurance Proceeds remaining upon completion of restoration shall be paid to Landlord. In the event Landlord and Tenant cannot agree on an independent engineer, an independent engineer designated by Tenant and an independent engineer designated by Landlord shall within five (5) business days select an independent engineer licensed to practice in Massachusetts who shall resolve such dispute within ten (10) business days after being retained by Landlord. All fees, costs and expenses of such third engineer so selected shall be shared equally by Landlord and Tenant.

21.5. Abatement of Rent. In the event of repair, reconstruction and restoration as provided in this Section, all Rent to be paid by Tenant under this Lease shall be abated proportionately based on the extent to which Tenant's use of the Premises is impaired during the period of such repair, reconstruction or restoration, unless Landlord provides Tenant with other space during the period of repair, reconstruction and restoration that, in Tenant's reasonable opinion, is suitable for the temporary conduct of Tenant's business; provided, however, that the amount of such abatement shall be reduced by the amount of Rent that is received by Tenant as part of the business interruption or loss of rental income with respect to the Premises from the proceeds of business interruption or loss of rental income insurance. Tenant shall not otherwise be entitled to any compensation or damages from Landlord for loss of the use of the Premises, damage to Tenant's personal property or any inconvenience occasioned by such damage, repair or restoration.

21.6. Replacement Cost. The determination in good faith by Landlord of the estimated cost of repair of any damage, of the replacement cost, or of the time period required for repair, based upon written quotes or estimates from applicable insurance adjusters, architects or general contractors after an independent bidding process shall be conclusive for purposes of this Section 21.

21.7. This Section 21 sets forth the terms and conditions upon which this Lease may terminate in the event of any damage or destruction. Accordingly, the parties hereby waive the provisions of any Applicable Laws (and any successor statutes) permitting the parties to terminate this Lease as a result of any damage or destruction.

22. Eminent Domain.

22.1. In the event (a) the whole of the Premises or (b) such part thereof as shall substantially interfere with Tenant's use and occupancy of the Premises for the Permitted Use shall be taken for any public or quasi-public purpose by any lawful power or authority by exercise of the right of appropriation, condemnation or eminent domain, or sold to prevent such taking, Tenant or Landlord may terminate this Lease effective as of the date possession is required to be surrendered to such authority, except with regard to (y) items occurring prior to the

taking and (z) provisions of this Lease that, by their express terms, survive the expiration or earlier termination hereof.

22.2. In the event of a partial taking of the Premises for any public or quasi-public purpose by any lawful power or authority by exercise of right of appropriation, condemnation, or eminent domain, or sold to prevent such taking, then, without regard to whether any portion of the Premises occupied by Tenant was so taken, Landlord may elect to terminate this Lease (except with regard to (a) items occurring prior to the taking and (b) provisions of this Lease that, by their express terms, survive the expiration or earlier termination hereof) as of such taking if such taking is, in Landlord's sole but reasonable opinion, of a material nature such as to make it uneconomical to continue use of the unappropriated portion for purposes of renting space for the Permitted Use.

22.3. Tenant shall be entitled to any award that is specifically awarded as compensation for (a) the taking of Tenant's personal property that was installed at Tenant's expense and (b) the costs of Tenant moving to a new location. Except as set forth in the previous sentence, any award for such taking shall be the property of Landlord.

22.4. If, upon any taking of the nature described in this Section, this Lease continues in effect, then Landlord shall promptly proceed to restore the Premises to substantially their same condition prior to such partial taking. To the extent such restoration is infeasible, as determined by Landlord in its sole and absolute discretion, the Rent shall be decreased proportionately to reflect the loss of any portion of the Premises no longer available to Tenant.

22.5. This Section 22 sets forth the terms and conditions upon which this Lease may terminate in the event of any damage or destruction. Accordingly, the parties hereby waive the provisions of any Applicable Laws (and any successor statutes) permitting the parties to terminate this Lease as a result of any damage or destruction.

23. Surrender. At least thirty (30) days prior to Tenant's surrender of possession of any part of the Premises, Tenant shall provide Landlord with a facility decommissioning and Hazardous Materials closure plan for the Premises ("**Exit Survey**") prepared by an independent third party state-certified professional with appropriate expertise, which Exit Survey must be reasonably acceptable to Landlord. In addition, at least ten (10) days prior to Tenant's surrender of possession of any part of the Premises, Tenant shall (a) provide Landlord with written evidence of all appropriate governmental releases if so required to be obtained by Tenant in accordance with Applicable Laws, including laws pertaining to the surrender of the Premises, and (b) conduct a site inspection with Landlord. In addition, Tenant agrees to remain responsible after the surrender of the Premises for the remediation of any recognized environmental conditions set forth in the Exit Survey and comply with any recommendations set forth in the Exit Survey. Tenant's obligations under this Section shall survive the expiration or earlier termination of the Lease. The provisions of this Section 23 shall survive the termination or expiration of this Lease, and no surrender of possession of any part of the Premises shall release Tenant from any of its obligations hereunder, unless such surrender is accepted in writing by Landlord.

24. Bankruptcy. In the event a debtor, trustee or debtor in possession under the Bankruptcy Code, or another person with similar rights, duties and powers under any other Applicable Laws, proposes to cure any default under this Lease or to assume or assign this Lease and is obliged to provide adequate assurance to Landlord that (a) a default shall be cured, (b) Landlord shall be compensated for its damages arising from any breach of this Lease and (c) future performance of Tenant's obligations under this Lease shall occur, then such adequate assurances shall include any or all of the following, as designated by Landlord in its sole and absolute discretion: (i) those acts specified in the Bankruptcy Code or other Applicable Laws as included within the meaning of "adequate assurance," even if this Lease does not concern a facility described in such Applicable Laws; (ii) a prompt cash payment to compensate Landlord for any monetary defaults or actual damages arising directly from a breach of this Lease; (iii) a cash deposit in an amount at least equal to the then-current amount of the Security Deposit; or (iv) the assumption or assignment of all of Tenant's interest and obligations under this Lease.

25. Brokers. Landlord and Tenant mutually represent and warrant that neither has had any dealings with any real estate broker or agent in connection with the negotiation of this Lease and that neither knows of any real estate broker or agent that is or might be entitled to a commission in connection with this Lease. Landlord and Tenant

mutually agree to indemnify, save, defend (at the indemnified party's option and with counsel reasonably acceptable to the indemnified party) and hold the indemnified party harmless from any and all cost or liability for compensation claimed by any broker or agent employed or engaged by Landlord or Tenant or claiming to have been employed or engaged by Landlord or Tenant. The provisions of this Section 25 shall survive the expiration or termination of this Lease.

27. Definition of Landlord. With regard to obligations imposed upon Landlord pursuant to this Lease, the term "**Landlord**," as used in this Lease, shall refer only to Landlord or Landlord's then-current successor-in-interest. In the event of any transfer, assignment or conveyance of Landlord's interest in this Lease or in Landlord's fee title to or leasehold interest in the Property, as applicable, Landlord herein named (and in case of any subsequent transfers or conveyances, the subsequent Landlord) shall be automatically freed and relieved, from and after the date of such transfer, assignment or conveyance, from all liability for the performance of any covenants or obligations contained in this Lease arising after the date of conveyance to be performed by Landlord and, without further agreement, the transferee, assignee or conveyee of Landlord's in this Lease or in Landlord's fee title to or leasehold interest in the Property, as applicable, shall be deemed to have assumed and agreed to observe and perform any and all covenants and obligations of Landlord hereunder during the tenure of its interest in the Lease or the Property. Landlord or any subsequent Landlord may transfer its interest in the Premises or this Lease without Tenant's consent.

28. Limitation of Landlord's Liability. If Landlord is in default under this Lease and, as a consequence, Tenant recovers a monetary judgment against Landlord, the judgment shall be satisfied only out of (a) the proceeds of sale received on execution of the judgment and levy against the right, title and interest of Landlord in the Premises, (b) rent or other income from such real property receivable by Landlord or (c) the consideration received by Landlord from the sale, financing, refinancing or other disposition of all or any part of Landlord's right, title or interest in the Premises. Neither Landlord nor any of its affiliates, nor any of their respective partners, shareholders, directors, officers, employees, members or agents shall be personally liable for Landlord's obligations or any deficiency under this Lease. No partner, shareholder, director, officer, employee, member or agent of Landlord or any of its affiliates shall be sued or named as a party in any suit or action. No partner, shareholder, director, officer, employee, member or agent of Landlord or any of its affiliates shall be required to answer or otherwise plead to any service of process, and no judgment shall be taken or writ of execution levied against any partner, shareholder, director, officer, employee, member or agent of Landlord or any of its affiliates. Each of the covenants and agreements of this Section 28 shall be applicable to any covenant or agreement either expressly contained in this Lease or imposed by Applicable Laws and shall survive the expiration or earlier termination of this Lease.

29. Control by Landlord. Landlord reserves full control over the Premises to the extent not inconsistent Massachusetts law and regulation or with Tenant's enjoyment of the same as provided by this Lease; provided, however, that such rights shall be exercised in a way that does not materially adversely affect Tenant's beneficial use and occupancy of the Premises, including the Permitted Use and Tenant's access to the Premises. Tenant shall, at Landlord's request, promptly execute such further documents as may be reasonably appropriate to assist Landlord in the performance of its obligations hereunder; provided that Tenant need not execute any document that creates additional liability for Tenant or that deprives Tenant of the quiet enjoyment and use of the Premises as provided for in this Lease. Landlord may, upon twenty-four (24) hours' prior notice (which may be oral or by email to the office manager or other Tenant-designated individual at the Premises; but provided that no time restrictions shall apply or advance notice be required if an emergency necessitates immediate entry), enter the Premises to (v) inspect the same and to determine whether Tenant is in compliance with its obligations hereunder, (w) supply any service Landlord is required to provide hereunder, (x) post notices of nonresponsibility and (y) show the Premises to prospective tenants during the final year of the Term and current and prospective purchasers and lenders at any time (in all situations provided that Landlord's personnel are accompanied by Tenants' authorized personnel in sensitive areas of the Premises). In no event shall Tenant's Rent abate as a result of Landlord's activities pursuant to this Section 29; provided, however, that all such activities shall be conducted in such a manner so as to cause as little interference to Tenant as is reasonably possible. If an emergency necessitates immediate access to the Premises, Landlord may use whatever force is necessary to enter the Premises, and any such entry to the Premises shall not constitute a forcible or unlawful entry to the Premises, a detainer of the Premises, or an eviction of Tenant from the Premises or any portion thereof.

30. Joint and Several Obligations. If more than one person or entity executes this Lease as Tenant, then (i) each of them is jointly and severally liable for the keeping, observing and performing of all of the terms, covenants, conditions, provisions and agreements of this Lease to be kept, observed or performed by Tenant, and such terms, covenants, conditions, provisions and agreements shall be binding with the same force and effect upon each and all of the persons executing this Lease as Tenant; and (ii) the term "**Tenant**," as used in this Lease, shall mean and include each of them, jointly and severally. The act of, notice from/to, refund to, or signature of any one or more of them with respect to the tenancy under this Lease, including any renewal, extension, expiration, termination or modification of this Lease, shall be binding upon each and all of the persons executing this Lease as Tenant with the same force and effect as if each and all of them had so acted, so given or received such notice or refund, or so signed.

31. Representations. Each of Tenant and Landlord guarantees, warrants and represents that (a) such party is duly incorporated or otherwise established or formed and validly existing under the laws of its state of incorporation, establishment or formation, (b) such party is duly qualified to do business in the state in which the Property is located, (c) such party has full corporate, partnership, trust, association or other appropriate power and authority to enter into this Lease and to perform its obligations hereunder, (d) each person (and all of the persons if more than one signs) signing this Lease on behalf of such party is duly and validly authorized to do so and (e) neither (i) the execution, delivery or performance of this Lease nor (ii) the consummation of the transactions contemplated hereby will violate or conflict with any provision of documents or instruments under which such party is constituted or to which such party is a party. In addition, Tenant guarantees, warrants and represents that none of (x) it, (y) its affiliates or partners nor (z) to the best of its knowledge, its members, shareholders or other equity owners or any of their respective employees, officers, directors, representatives or agents is a person or entity with whom U.S. persons or entities are restricted from doing business under regulations of the Office of Foreign Asset Control ("**OFAC**") of the Department of the Treasury (including those named on OFAC's Specially Designated and Blocked Persons List) or under any statute, executive order (including the September 24, 2001, Executive Order Blocking Property and Prohibiting Transactions with Persons Who Commit, Threaten to Commit, or Support Terrorism) or other similar governmental action.

32. Confidentiality. Tenant shall keep the terms and conditions of this Lease confidential and shall not (a) disclose to any third party any terms or conditions of this Lease or any other Lease-related document (including subleases, assignments, work letters, construction contracts, letters of credit, subordination agreements, non-disturbance agreements, brokerage agreements or estoppels) or (b) provide to any third party an original or copy of this Lease (or any Lease-related document) other than to its attorneys, accountants and other professionals. Notwithstanding the foregoing, confidential information under this Section may be released by Landlord or Tenant under the following circumstances: (x) if required by Applicable Laws or in any judicial proceeding, including with respect to Tenant's permits and licenses required for the Permitted Use; provided that the releasing party has given the other party reasonable notice of such requirement, if feasible, (y) to a party's attorneys, investors, accountants, brokers and other bona fide consultants or advisers; provided such third parties agree to be bound by this Section or (z) to bona fide prospective assignees or subtenants of this Lease; provided they agree in writing to be bound by this Section.

33. Notices. Except as otherwise stated in this Lease, any notice, consent, demand, invoice, statement or other communication required or permitted to be given hereunder shall be in writing and shall be given by (a) personal delivery, (b) overnight delivery with a reputable international overnight delivery service, such as FedEx, or (c) facsimile or email transmission, so long as such transmission is followed within one (1) business day by delivery utilizing one of the methods described in Subsection 33(a) or (b). Any such notice, consent, demand, invoice, statement or other communication shall be deemed delivered (x) upon receipt, if given in accordance with Subsection 33(a); (y) one (1) business day after deposit with a reputable international overnight delivery service, if given if given in accordance with Subsection 33(b); or (z) upon transmission, if given in accordance with Subsection 33(c). Except as otherwise stated in this Lease, any notice, consent, demand, invoice, statement or other communication required or permitted to be given pursuant to this Lease shall be addressed to Tenant at the Premises, or to Landlord or Tenant at the addresses shown in Section 2. Either party may, by notice to the other given pursuant to this Section, specify additional or different addresses for notice purposes.

34. Right of First Refusal. In the event the Tenant intends to enter into a transaction to sell one or more Units that comprise a part of the condominium project where the Premises is located (the "**ROFR Property**"), Tenant shall give Landlord written notice thereof (the "**Notice of Sale**"), which notice shall include the purchase price and other basic terms upon which Tenant is willing to purchase or sell such ROFR Property (the "**Proposed Transaction Terms**"). Landlord shall have a period of fifteen (15) business days from Landlord's receipt of a Notice of Sale to notify Tenant of its decision to purchase the ROFR Property from Tenant upon the Proposed Transaction Terms set forth in the Notice of Sale (the "**ROFR**"). If Landlord fails to notify Tenant of Landlord's intent to exercise the ROFR within fifteen (15) business days of receipt of the Notice of Sale, then Landlord shall be deemed to have waived the ROFR with respect to the transaction as described in the Notice of Sale. Should Landlord waive (or be deemed to have waived) the ROFR, Tenant shall be at liberty to proceed with the transaction described in the Notice of Sale so long as the economic terms of the transaction are not less favorable to Tenant than the Proposed Transaction Terms. If for any reason Tenant fails to sell the ROFR Property within six (6) months of the date Tenant first gives notice to Landlord pursuant to this Section 34, or if Tenant determines to enter into a sale transaction with respect to the ROFR Property upon terms that are substantially less favorable to Tenant than the Proposed Transaction Terms set forth in the Notice of Sale, then Landlord's ROFR rights pursuant to this Section 34 shall apply and Tenant must deliver a second Notice of Sale setting forth the same or revised Proposed Transaction Terms. For purposes of the preceding sentence, such terms shall be deemed to be substantially less favorable to Tenant if the overall economic benefits to be derived by Tenant from the transaction decrease by five percent (5%) or more. Landlord shall have a ten (10) business day period from Landlord's receipt of the second Notice of Sale to notify Tenant of its decision to purchase or not purchase the ROFR Property upon the Proposed Transaction Terms set forth in the second Notice of Sale. If Tenant either receives a notice from Landlord that Landlord does not desire to purchase the ROFR Property or Tenant fails to receive any notice from Landlord within the applicable time period, then Tenant shall have the right to proceed with the transaction described in the second Notice of Sale so long as the economic terms of the transaction are not less favorable to Tenant than the Proposed Transaction Terms set forth therein. In the event Landlord timely exercises its ROFR with respect to any transaction described in a Notice of Sale in accordance with the provisions of this Section 34, not later than thirty (30) days after the receipt by Tenant of Landlord's written notice of exercise of its ROFR, Landlord and Tenant shall enter into and execute a definitive purchase agreement, incorporating the Proposed Transaction Terms for the sale of the ROFR Property as reflected in the Notice of Sale.

35. Miscellaneous.

35.1. To induce Landlord to enter into this Lease, Tenant agrees that it shall, upon Landlord's written request and within one-hundred and twenty (120) days after the end of Tenant's financial year, furnish Landlord with a certified copy of Tenant's and Guarantor's year-end financial statements for the previous year. Tenant also agrees that it shall, upon Landlord's written request and within forty-five (45) days after the end of Tenant's fiscal quarter, furnish to Landlord compiled financial statements for the quarter of Tenant and Guarantor. Tenant represents and warrants that all financial statements, records and information furnished by Tenant to Landlord in connection with this Lease are true, correct and complete in all respects and that all financial statements, records and information furnished by Guarantor to Landlord in connection with this Lease are true, correct and complete in all respects. The provisions of this Section shall not apply at any time while Tenant or Guarantor (as applicable) is a corporation whose shares are traded on any nationally recognized stock exchange.

35.2. The terms of this Lease are intended by the parties as a final, complete and exclusive expression of their agreement with respect to the terms that are included herein, and may not be contradicted or supplemented by evidence of any other prior or contemporaneous agreement except to the extent that modification is necessary to comply with Massachusetts law and/or regulation. To the extent that such modification is required, Landlord and Tenant agree to be bound by the terms of this Lease that are compliant and work in good faith, and within a reasonable period of time, to modify the non-compliant terms so that they may be brought into compliance.

35.3. Neither party shall record this Lease.

35.4. Landlord and Tenant have each participated in the drafting and negotiation of this Lease, and the language in all parts of this Lease shall be in all cases construed as a whole according to its fair meaning and not strictly for or against either Landlord or Tenant.

35.5. Except as otherwise expressly set forth in this Lease, each party shall pay its own costs and expenses incurred in connection with this Lease and such party's performance under this Lease; provided that, if either party commences an action, proceeding, demand, claim, action, cause of action or suit against the other party arising out of or in connection with this Lease, then the substantially prevailing party shall be reimbursed by the other party for all reasonable costs and expenses, including reasonable attorneys' fees and expenses, incurred by the substantially prevailing party in such action, proceeding, demand, claim, action, cause of action or suit, and in any appeal in connection therewith (regardless of whether the applicable action, proceeding, demand, claim, action, cause of action, suit or appeal is voluntarily withdrawn or dismissed).

35.6. Time is of the essence with respect to the performance of every provision of this Lease.

35.7. Each provision of this Lease performable by Tenant shall be deemed both a covenant and a condition.

35.8. Notwithstanding anything to the contrary contained in this Lease, Tenant's obligations under this Lease are independent and shall not be conditioned upon performance by Landlord.

35.9. Whenever consent or approval of either party is required, that party shall not unreasonably withhold, condition or delay such consent or approval, except as may be expressly set forth to the contrary.

35.10. Any provision of this Lease that shall prove to be invalid, void or illegal shall in no way affect, impair or invalidate any other provision hereof, and all other provisions of this Lease shall remain in full force and effect and shall be interpreted as if the invalid, void or illegal provision did not exist.

35.11. Each of the covenants, conditions and agreements herein contained shall inure to the benefit of and shall apply to and be binding upon the parties hereto and their respective heirs; legatees; devisees; executors; administrators; and permitted successors and assigns. This Lease is for the sole benefit of the parties and their respective heirs, legatees, devisees, executors, administrators and permitted successors and assigns, and nothing in this Lease shall give or be construed to give any other person or entity any legal or equitable rights. Nothing in this Section shall in any way alter the provisions of this Lease restricting assignment or subletting.

35.12. This Lease shall be governed by, construed and enforced in accordance with the laws of the state in which the Premises are located, without regard to such state's conflict of law principles.

35.13. Landlord covenants that Tenant, upon paying the Rent and performing its obligations contained in this Lease, may peacefully and quietly have, hold and enjoy the Premises, free from any claim by Landlord or persons claiming under Landlord, but subject to all of the terms and provisions hereof, provisions of Applicable Laws and rights of record to which this Lease is or may become subordinate. This covenant is in lieu of any other quiet enjoyment covenant, either express or implied.

35.14. Each of Tenant and Landlord guarantees, warrants and represents to the other party that the individual or individuals signing this Lease have the power, authority and legal capacity to sign this Lease on behalf of and to bind all entities, corporations, partnerships, limited liability companies, joint venturers or other organizations and entities on whose behalf such individual or individuals have signed.

35.15. This Lease may be executed in one or more counterparts, each of which, when taken together, shall constitute one and the same document.

35.16. No provision of this Lease may be modified, amended or supplemented except by an agreement in writing signed by Landlord and Tenant.

35.17. No waiver of any term, covenant or condition of this Lease shall be binding upon Landlord unless executed in writing by Landlord. The waiver by Landlord of any breach or default of any term, covenant or condition contained in this Lease shall not be deemed to be a waiver of any preceding or subsequent breach or default of such term, covenant or condition or any other term, covenant or condition of this Lease.

35.18. To the extent permitted by Applicable Laws, the parties waive trial by jury in any action, proceeding or counterclaim brought by the other party hereto related to matters arising out of or in any way connected with this Lease; the relationship between Landlord and Tenant; Tenant's use or occupancy of the Premises; or any claim of injury or damage related to this Lease or the Premises.

[The remainder of this page is intentionally left blank. Signature page follows.]

IN WITNESS WHEREOF, the parties hereto have duly executed this Lease on the day and year first above written.

LANDLORD:

IIP-MA 4 LLC,
a Delaware limited liability company

By: /s/ Brian Wolfe
Name: Brian Wolfe
Title: Vice President, General Counsel and Secretary

TENANT:

MASSGROW, LLC,
a Massachusetts limited liability company

By: /s/ Francis Perullo
Name: Francis Perullo
Title: Manager

EXHIBIT A

PREMISES

The Units known as Unit 1 and Unit 2 (collectively the "**Units**") in the Chestnut Hill Avenue Primary Condominium ("**Condominium**"), a condominium established pursuant to Massachusetts General Laws, Chapter 183A, as the same may have been or may hereafter be amended ("**Chapter 183A**") by Master Deed dated March 6, 2020 and recorded with the Worcester County Registry of Deeds in Book 62139, Page 61. Said Units are conveyed together with an undivided percentage interest in the common areas and facilities of the property ("**Common Elements**") as described in said Master Deed as being attributed to the Units, as may from time to time be amended.

ADDRESS: 134 Chestnut Hill Avenue, Units 1 and 2
Athol, Massachusetts

EXHIBIT B

TENANT'S PERSONAL PROPERTY

None.

EXHIBIT C

FORM OF TENANT ESTOPPEL CERTIFICATE

To: IIP-MA 4 LLC
11440 West Bernardo Court, Suite 100
San Diego, California 92127
Attention: General Counsel

Re: [PREMISES ADDRESS] (the "Premises") 134 Chestnut Hill Avenue in Athol, Massachusetts (the "Property")

The undersigned tenant ("Tenant") hereby certifies to you as follows:

1. Tenant is a tenant at the Property under a lease (the "Lease") for the Premises dated as of [_____], 20[__]. The Lease has not been cancelled, modified, assigned, extended or amended [except as follows: [_____]], and there are no other agreements, written or oral, affecting or relating to Tenant's lease of the Premises or any other space at the Property. The lease term expires on [_____], 20[__].

2. Tenant took possession of the Premises, currently consisting of [_____] square feet, on [_____], 20[__], and commenced to pay rent on [_____], 20[__]. Tenant has full possession of the Premises, has not assigned the Lease or sublet any part of the Premises, and does not hold the Premises under an assignment or sublease[, except as follows: [_____]].

3. All base rent, rent escalations and additional rent under the Lease have been paid through [_____], 20[__]. There is no prepaid rent[, except $[_____]][, and the amount of security deposit is $[_____] [in cash][OR][in the form of a letter of credit]]. Tenant currently has no right to any future rent abatement under the Lease.

4. Base rent is currently payable in the amount of $[_____] per month.

5. All work to be performed for Tenant under the Lease has been performed as required under the Lease and has been accepted by Tenant[, except [_____]], and all allowances to be paid to Tenant, including allowances for tenant improvements, moving expenses or other items, have been paid, except that Tenant has $_____ of Tenant Improvement Allowance remaining.

6. The Lease is in full force and effect, free from default and free from any event that could become a default under the Lease, and Tenant has no claims against the landlord or offsets or defenses against rent, and there are no disputes with the landlord. Tenant has received no notice of prior sale, transfer, assignment, hypothecation or pledge of the Lease or of the rents payable thereunder[, except [_____]].

7. Tenant has no rights or options to purchase the Property.

8. To Tenant's knowledge, no hazardous wastes have been generated, treated, stored or disposed of by or on behalf of Tenant in, on or around the Premises in violation of any environmental laws.

9. The undersigned has executed this Estoppel Certificate with the knowledge and understanding that [INSERT NAME OF LANDLORD, PURCHASER OR LENDER, AS APPROPRIATE] or its assignee is [acquiring the Property/making a loan secured by the Property] in reliance on this certificate and that the undersigned shall be bound by this certificate. The statements contained herein may be relied upon by [INSERT NAME OF PURCHASER OR LENDER, AS APPROPRIATE], IIP-MA 4 LLC, IIP Operating Partnership, LP, Innovative Industrial Properties, Inc., and any [other] mortgagee of the Property and their respective successors and assigns.

[Signature page follows]

Any capitalized terms not defined herein shall have the respective meanings given in the Lease.

Dated this [____] day of [_____], 20[__].

[_____],
a [_____]

By: _____
Name: _____
Title: _____

EXHIBIT D

FORM OF

GUARANTY OF LEASE

This Guaranty of Lease ("**Guaranty**") is executed effective on the ____ day of [_____], 20[__], by [_____], a [_____] ("**Guarantor**"), in favor of IIP-MA 4 LLC, a Delaware limited liability company ("**Landlord**"), whose address for notices is 11440 West Bernardo Court, Suite 100, San Diego, California 92127, Attn: General Counsel.

For good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Guarantor covenants and agrees as follows:

1. **Recitals.** This Guaranty is made with reference to the following recitals of facts which constitute a material part of this Guaranty:

(a) Landlord, as Landlord, and MassGrow, LLC, a Massachusetts limited liability company, as Tenant ("**Tenant**"), entered into that certain Lease dated as of [_____], 2020 (the "**Lease**"), with respect to certain space in the buildings located at 134 Chestnut Hill Avenue, Units 1 & 2, in Athol, Massachusetts, as more particularly described in the Lease (the "**Leased Premises**").

(b) Guarantor is an affiliate of Tenant and is therefore receiving a substantial benefit for executing this Guaranty.

(c) Landlord would not have entered into the Lease with Tenant without having received the Guaranty executed by Guarantor as an inducement to Landlord.

(d) By this Guaranty, Guarantor intends to absolutely, unconditionally and irrevocably guarantee the full, timely, and complete (i) payment of all rent and other sums required to be paid by Tenant under the Lease and any other indebtedness of Tenant, (ii) performance of all other terms, covenants, conditions and obligations of Tenant arising out of the Lease and all damages that may arise as a consequence of any non-payment, non-performance or non-observance of, or non-compliance with, any of the terms, covenants, conditions or other obligations described in the Lease (including, without limitation, all attorneys' fees and disbursements and all litigation costs and expenses reasonably incurred or payable by Landlord or for which Landlord may be responsible or liable, or caused by any such default), and (iii) payment of any and all expenses (including reasonable attorneys' fees and expenses and litigation expenses) incurred by Landlord in enforcing any of the rights under the Lease or this Guaranty within five (5) days after Landlord's demand thereafter (collectively, the "**Guaranteed Obligations**").

2. **Guaranty.** From and after the Execution Date (as such term is defined under the Lease), Guarantor absolutely, unconditionally and irrevocably guarantees, as principal obligor and not merely as surety, to Landlord, the full, timely and unconditional payment and performance, of the Guaranteed Obligations strictly in accordance with the terms of the Lease, as such Guaranteed Obligations may be modified, amended, extended or renewed from time to time. This is a Guaranty of payment and performance and not merely of collection. Guarantor agrees that Guarantor is primarily liable for and responsible for the payment and performance of the Guaranteed Obligations. Guarantor shall be bound by all of the provisions, terms, conditions, restrictions and limitations contained in the Lease which are to be observed or performed by Tenant, the same as if Guarantor was named therein as Tenant with joint and several liability with Tenant, and any remedies that Landlord has under the Lease against Tenant shall apply to Guarantor as well. If Tenant defaults in any Guaranteed Obligation under the Lease, Guarantor shall in lawful money of the United States, pay to Landlord on demand the amount due and owing under the Lease. Guarantor waives any rights to notices of acceptance, modifications, amendment, extension or breach of the Lease. If Guarantor is a natural person, it is expressly agreed that this guaranty shall survive the death of such guarantor and shall continue in effect. The obligations of Guarantor under this Guaranty are independent of the obligations of Tenant or any other guarantor. Guarantor acknowledges that this Guaranty and Guarantor's obligations and liabilities under this Guaranty are and shall at all times continue to be absolute and unconditional in all respects and shall be the separate and independent undertaking of Guarantor without regard to the genuineness, validity, legality

or enforceability of the Lease, and shall at all times be valid and enforceable irrespective of any other agreements or circumstances of any nature whatsoever which might otherwise constitute a defense to this Guaranty and the obligations and liabilities of Guarantor under this Guaranty or the obligations or liabilities of any other person or entity (including, without limitation, Tenant) relating to this Guaranty or the obligations or liabilities of Guarantor hereunder or otherwise with respect to the Lease or to Tenant. Guarantor hereby absolutely, unconditionally and irrevocably waives any and all rights it may have to assert any defense, set-off, counterclaim or cross-claim of any nature whatsoever with respect to this Guaranty or the obligations or liabilities of Guarantor under this Guaranty or the obligations or liabilities of any other person or entity (including, without limitation, Tenant) relating to this Guaranty or the obligations or liabilities of Guarantor under this Guaranty or otherwise with respect to the Lease, in any action or proceeding brought by the holder hereof to enforce the obligations or liabilities of Guarantor under this Guaranty. This Guaranty sets forth the entire agreement and understanding of Landlord and Guarantor, and Guarantor acknowledges that no oral or other agreements, understandings, representations or warranties exist with respect to this Guaranty or with respect to the obligations or liabilities of Guarantor under this Guaranty. The obligations of Guarantor under this Guaranty shall be continuing and irrevocable (a) during any period of time when the liability of Tenant under the Lease continues, and (b) until all of the Guaranteed Obligations have been fully discharged by payment, performance or compliance. If at any time all or any part of any payment received by Landlord from Tenant or Guarantor or any other person under or with respect to the Lease or this Guaranty has been refunded or rescinded pursuant to any court order, or declared to be fraudulent or preferential, or are set aside or otherwise are required to be repaid to Tenant, its estate, trustee, receiver or any other party, including as a result of the insolvency, bankruptcy or reorganization of Tenant or any other party (an "**Invalidated Payment**"), then Guarantor's obligations under the Guaranty shall, to the extent of such Invalidated Payment be reinstated and deemed to have continued in existence as of the date that the original payment occurred. This Guaranty shall not be affected or limited in any manner by whether Tenant may be liable, with respect to the Guaranteed Obligations individually, jointly with other primarily, or secondarily.

3. **No Impairment of Guaranteed Obligations**. Guarantor further agrees that Guarantor's liability for the Guaranteed Obligations shall in no way be released, discharged, impaired or affected or subject to any counterclaim, setoff or deduction by (a) any waiver, consent, extension, indulgence, compromise, release, departure from or other action or inaction of Landlord under or in respect of the Lease or this Guaranty, or any obligation or liability of Tenant, or any exercise or non-exercise of any right, remedy, power or privilege under or in respect to the Lease or this Guaranty, (b) any change in the time, manner or place of payment or performance of the Guaranteed Obligations, (c) the acceptance by Landlord of any additional security or any increase, substitution or change therein, (d) the release by Landlord of any security or any withdrawal thereof or decrease therein, (e) any assignment of the Lease or any subletting of all or any portion of the Leased Premises (with or without Landlord's consent), (f) any holdover by Tenant beyond the term of the Lease (g) any termination of the Lease, (h) any release or discharge of Tenant in any bankruptcy, receivership or other similar proceedings, (i) the impairment, limitation or modification of the liability of Tenant or the estate of Tenant in bankruptcy or of any remedy for the enforcement of Tenant's liability under the Lease resulting from the operation of any present or future provisions of any bankruptcy code or other statute or from the decision in any court, or the rejection or disaffirmance of the Lease in any such proceedings, (j) any merger, consolidation, reorganization or similar transaction involving Tenant, even if Tenant ceases to exist as a result of such transaction, (k) the change in the corporate relationship between Tenant and Guarantor or any termination of such relationship, (l) any change in the direct or indirect ownership of all or any part of the shares in Tenant, or (m) to the extent permitted under applicable law, any other occurrence or circumstance whatsoever, whether similar or dissimilar to the foregoing, which might otherwise constitute a legal or equitable defense or discharge of the liabilities of Guarantor or which might otherwise limit recourse against Guarantor. Guarantor further understands and agrees that Landlord may at any time enter into agreements with Tenant to amend and modify the Lease, and may waive or release any provision or provisions of the Lease, and, with reference to such instruments, may make and enter into any such agreement or agreements as Landlord and Tenant may deem proper and desirable, without in any manner impairing or affecting this Guaranty or any of Landlord's rights hereunder or Guarantor's obligations hereunder, unless otherwise agreed in writing thereunder or under the Lease.

4. **Remedies**.

If Tenant defaults with respect to the Guaranteed Obligations, and if Guarantor does not fulfill Tenant's obligations within a reasonable time period (not to exceed five (5) days with respect to any monetary obligation and thirty (30) days with respect to any non-monetary obligation) upon its receipt of written notice of such default from Landlord, Landlord may at its election proceed immediately against Guarantor, Tenant, or any combination of Tenant, Guarantor, and/or any other guarantor. It is not necessary for Landlord, in order to enforce payment and performance by Guarantor under this Guaranty, first or contemporaneously to institute suit or exhaust remedies against Tenant or other liable for any of the Guaranteed Obligations or to enforce rights against any collateral securing any of it. Guarantor hereby waives any right to require Landlord to join Tenant in any action brought hereunder or to commence any action against or obtain any judgment against Tenant or to pursue any other remedy or enforce any other right. If any portion of the Guaranteed Obligations terminates and Landlord continues to have any rights that it may enforce against Tenant under the Lease after such termination, then Landlord may at its election enforce such rights against Guarantor. Unless and until all Guaranteed Obligations have been fully satisfied, Guarantor shall not be released from its obligations under this Guaranty irrespective of: (i) the exercise (or failure to exercise) by Landlord of any of Landlord's rights or remedies (including, without limitation, compromise or adjustment of the Guaranteed Obligations or any part thereof); or (ii) any release by Landlord in favor of Tenant regarding the fulfillment by Tenant of any obligation under the Lease.

Notwithstanding anything in the foregoing to the contrary, Guarantor hereby covenants and agrees to and with Landlord that Guarantor may be joined in any action by or against Tenant in connection with the Lease. Guarantor also agrees that, in any jurisdiction, it will be conclusively bound by the judgment in any such action by or against Tenant (wherever brought) as if Guarantor were a party to such action even though Guarantor is not joined as a party in such action.

5. **Waivers.** With the exception of the defense of prior payment, performance or compliance by Tenant or Guarantor of or with the Guaranteed Obligations which Guarantor is called upon to pay or perform, or the defense that Landlord's claim against Guarantor is barred by the applicable statute of limitations, Guarantor hereby waives and releases all defenses of the law of guaranty or suretyship to the extent permitted by law.

6. **Rights Cumulative.** All rights, powers and remedies of Landlord under this Guaranty shall be cumulative and in addition to all rights, powers and remedies given to Landlord by law.

7. **Representations and Warranties.** Guarantor hereby represents and warrants that (a) Guarantor has a net worth sufficient to enable Guarantor to promptly perform all of the Guaranteed Obligations as and when they are due; (b) Landlord has made no representation to Guarantor as to the creditworthiness or financial condition of Tenant; (c) Guarantor has full power to execute, deliver and carry out the terms and provisions of this Guaranty and has taken all necessary action to authorize the execution, delivery and performance of this Guaranty; (d) Guarantor's execution and delivery of, and the performance of its obligations under, this Guaranty does not conflict with or violate any of Guarantor's organizational documents, or any contract, agreement or decree which Guarantor is a party to or which is binding on Guarantor; (e) the individual executing this Guaranty on behalf of Guarantor has the authority to bind Guarantor to the terms and conditions of this Guaranty; (f) Guarantor has been represented by counsel of its choice in connection with this Guaranty; (g) this Guaranty when executed and delivered shall constitute the legal, valid and binding obligations of Guarantor enforceable against Guarantor in accordance with its terms; and (h) there is no action, suit, or proceeding pending or, to the knowledge of Guarantor, threatened against Guarantor before or by any governmental authority which questions the validity or enforceability of, or Guarantor's ability to perform under, this Guaranty.

8. **Subordination.** In the event of Tenant's insolvency or the disposition of the assets of Tenant, through bankruptcy, by an assignment for the benefit of creditors, by voluntary liquidation, or otherwise, the assets of Tenant applicable to the payment of all claims of Landlord and/or Guarantor shall be paid to Landlord and shall be first applied by Landlord to the Guaranteed Obligations. Any indebtedness of Tenant now or hereafter held by Guarantor, whether as original creditor or assignee or by way of subrogation, restitution, reimbursement, indemnification or otherwise, is hereby subordinated in right of payment to the Guaranteed Obligations. So long as an uncured event of default exists under the Lease, (a) at Landlord's written request, Guarantor shall cause Tenant to

pay to Landlord all or any part of any funds invested in or loaned to Tenant by Guarantor which Guarantor is entitled to withdraw or collect and (b) any such indebtedness or other amount collected or received by Guarantor shall be held in trust for Landlord and shall forthwith be paid over to Landlord to be credited and applied against the Guaranteed Obligations. Subject to the foregoing, Guarantor shall be entitled to receive from Landlord any amounts that are, from time to time, due to Guarantor in the ordinary course of business. Until all of Tenant's obligations under the Lease are fully performed, Guarantor's right of subrogation against Tenant by reason of any payments, acts or performance by Guarantor under this Guaranty shall be subordinate to the Lease.

9. **Governing Law.** This Guaranty shall be governed by and construed in accordance with the laws of the Commonwealth of Massachusetts, United States of America, without regard to principles of conflicts of laws. TO THE FULLEST EXTENT PERMITTED BY LAW, GUARANTOR HEREBY UNCONDITIONALLY AND IRREVOCABLY WAIVES ANY CLAIM TO ASSERT THAT THE LAW OF ANY OTHER JURISDICTION GOVERNS THIS GUARANTY.

10. **Attorneys' Fees.** In the event any litigation or other proceeding ("**Proceeding**") is initiated by any party against any other party to enforce this Guaranty, the prevailing party in such Proceeding shall be entitled to recover from the unsuccessful party all costs, expenses, and actual reasonable attorneys' fees relating to or arising out of such Proceeding.

11. **Modification.** This Guaranty may be modified only by a contract in writing executed by Guarantor and Landlord.

12. **Invalidity.** If any provision of the Guaranty shall be invalid or unenforceable, the remainder of this Guaranty shall not be affected by such invalidity or unenforceability. In the event, and to the extent, that this Guaranty shall be held ineffective or unenforceable by any court of competent jurisdiction, then Guarantor shall be deemed to be a tenant under the Lease with the same force and effect as if Guarantor were expressly named as a co-tenant therein with joint and several liability.

13. **Successors and Assigns.** Unless otherwise agreed in writing or under the Lease, this Guaranty shall be binding upon and shall inure to the benefit of the successors-in-interest and assigns of each party to this Guaranty.

14. **Notices.** Any notice, consent, demand, invoice, statement or other communication required or permitted to be given hereunder shall be in writing and shall be given by (a) personal delivery, (b) overnight delivery with a reputable international overnight delivery service, such as FedEx, or (c) facsimile or email transmission, so long as such transmission is followed within one (1) business day by delivery utilizing one of the methods described in subsections (a) or (b). Any such notice, consent, demand, invoice, statement or other communication shall be deemed delivered (x) upon receipt, if given in accordance with subsection (a); (y) one business (1) day after deposit with a reputable international overnight delivery service, if given if given in accordance with subsection (b); or (z) upon transmission, if given in accordance with subsection (c). Except as otherwise stated in this Guaranty, any notice, consent, demand, invoice, statement or other communication required or permitted to be given pursuant to this Guaranty shall be addressed to Guarantor or Landlord at the address set forth above in the introductory paragraph of this Guaranty. Either party may, by notice to the other given pursuant to this Section, specify additional or different addresses for notice purposes.

15. **Waiver.** Any waiver of a breach or default under this Guaranty must be in a writing that is duly executed by Landlord and shall not be a waiver of any other default concerning the same or any other provision of this Guaranty. No delay or omission in the exercise of any right or remedy shall impair such right or remedy or be construed as a waiver.

16. **Withholding**. Unless otherwise agreed in the Lease, any and all payments by Guarantor to Landlord under this Guaranty shall be made free and clear of and without deduction for any and all present or future taxes, duties, levies, imposts, deductions, assessments, fees, withholdings or similar charges, and all liabilities with respect thereto (collectively, "**Taxes**"). If Guarantor shall be required by any applicable laws to deduct any Taxes from or in respect of any sum payable under this Guaranty to Landlord: (a) the sum payable shall be increased as necessary so that after making all required deductions, the Landlord receives an amount equal to the sum it would have received had

no such deductions been made; (b) Guarantor shall make such deductions; and (c) Guarantor shall pay the full amount deducted to the relevant taxation authority or other authority in accordance with applicable laws.

17. **Financial Condition of Tenant**. Landlord shall have no obligation to disclose or discuss with Guarantor Landlord's assessment of the financial condition of Tenant. Guarantor has adequate means to obtain information from Tenant on a continuing basis concerning the financial condition of Tenant and its ability to perform its Guaranteed Obligations, and Guarantor assumes responsibility for being and keeping informed of Tenant's financial condition and of all circumstances bearing upon the risk of Tenant's failure to perform the Guaranteed Obligations.

18. **Bankruptcy**. So long as the Guaranteed Obligations remain outstanding, Guarantor shall not, without Landlord's prior written consent, commence or join with any other person in commencing any bankruptcy or similar proceeding of or against Tenant. Guarantor's obligations hereunder shall not be reduced, limited, impaired, discharged, deferred, suspended or terminated by any bankruptcy or similar proceeding (voluntary or involuntary) involving Tenant or by any defense that Tenant may have by reason of an order, decree or decision of any court or administrative body resulting from any such proceeding. To the fullest extent permitted by law, Guarantor will permit any trustee in bankruptcy, receiver, debtor in possession, assignee for the benefit of creditors or similar person to pay to Landlord or allow the claim of Landlord in respect of any interest, fees, costs, expenses or other Guaranteed Obligations accruing or arising after the date on which such case or proceeding is commenced.

19. **Conveyance or Transfer**. Without Landlord's written consent, Guarantor shall not convey, sell, lease or transfer any of its properties or assets to any person or entity to the extent that such conveyance, sale, lease or transfer could have a material adverse effect on Guarantor's ability to fulfill any of the Guaranteed Obligations.

20. **Financials.** To induce Landlord to enter into the Lease, Guarantor (to the extent applicable) shall provide to Landlord all information as required to be provided by Tenant and/or Guarantor pursuant to Section 35.1 of the Lease, subject to all conditions set forth in that Section.

21. **Joint and Several Liability.** Guarantor's liability under this Guaranty shall be joint and several with any and all other Guarantors in accordance with the terms and conditions of the Lease.

22. **Release.** Upon full payment and performance of all of Guarantor’s obligations under the Lease, this Guaranty shall automatically terminate and be released.

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IN WITNESS WHEREOF, Guarantor has caused this Guaranty to be signed by its respective officer thereunto duly authorized, all as of the date first written above.

GUARANTOR

[_____],
a [_____]

By: _____
Name: _____
Title: _____

EXHIBIT E

WORK LETTER

This Work Letter (this "**Work Letter**") is made and entered into as of the 2nd day of April, 2020, by and between IIP-MA 4 LLC, a Delaware limited liability company ("**Landlord**"), and MASSGROW, LLC, a Massachusetts limited liability company ("**Tenant**"), and is attached to and made a part of that certain Lease dated as of April 2, 2020 (as the same may be amended, amended and restated, supplemented or otherwise modified from time to time, the "**Lease**"), by and between Landlord and Tenant for the Premises located at 134 Chestnut Hill Avenue, Units 1 & 2, in Athol, Massachusetts. All capitalized terms used but not otherwise defined herein shall have the meanings given them in the Lease.

1. General Requirements.

1.1. Authorized Representatives.

(a) Landlord designates, as Landlord's authorized representative ("**Landlord's Authorized Representative**"), (i) Catherine Hastings as the person authorized to initial plans, drawings, approvals and to sign change orders pursuant to this Work Letter and (ii) an officer of Landlord as the person authorized to sign any amendments to this Work Letter or the Lease. Tenant shall not be obligated to respond to or act upon any such item until such item has been initialed or signed (as applicable) by the appropriate Landlord's Authorized Representative. Landlord may change either Landlord's Authorized Representative upon one (1) business day's prior written notice to Tenant.

(b) Tenant designates Ray Thek ("**Tenant's Authorized Representative**") as the person authorized to initial and sign all plans, drawings, change orders and approvals pursuant to this Work Letter. Landlord shall not be obligated to respond to or act upon any such item until such item has been initialed or signed (as applicable) by Tenant's Authorized Representative. Tenant may change Tenant's Authorized Representative upon one (1) business day's prior written notice to Landlord.

1.2. Schedule. The schedule for design and development of the Tenant Improvements, including the time periods for preparation and review of construction documents, approvals and performance, shall be in accordance with a schedule to be prepared by Tenant (the "**Schedule**"). Tenant shall prepare the Schedule so that it is a reasonable schedule for the completion of the Tenant Improvements. The Schedule shall clearly identify all activities requiring Landlord participation. As soon as the Schedule is completed, Tenant shall deliver the same to Landlord for Landlord's approval, which approval shall not be unreasonably withheld, conditioned or delayed. Such Schedule shall be approved or disapproved by Landlord within ten (10) business days after delivery to Landlord. Landlord's failure to respond within such ten (10) business day period shall be deemed approval by Landlord. If Landlord disapproves the Schedule, then Landlord shall notify Tenant in writing of its objections to such Schedule, and the parties shall confer and negotiate in good faith to reach agreement on the Schedule. The Schedule shall be subject to adjustment as mutually agreed upon in writing by the parties, or as provided in this Work Letter.

1.3. Tenant's Architects, Contractors and Consultants. The architect, engineering consultants, design team, general contractor and subcontractors responsible for the construction of the Tenant Improvements shall be selected by Tenant and approved by Landlord, which approval Landlord shall not unreasonably withhold, condition or delay. All Tenant contracts related to the Tenant Improvements shall provide that Tenant may assign such contracts and any warranties with respect to the Tenant Improvements to Landlord at any time.

2. Tenant Improvements. All Tenant Improvements shall be performed by Tenant's contractor, at Tenant's sole cost and expense (subject to Landlord's obligations with respect to any portion of the TI Allowance) and in accordance with the Approved Plans (as defined below), the Lease and this Work Letter. All material and equipment furnished by Tenant or its contractors as the Tenant Improvements shall be new or "like new;" the Tenant Improvements shall be performed in a first-class, workmanlike manner. Tenant shall take, and shall require its contractors to take, commercially reasonable steps to protect the Premises during the performance of any Tenant

Improvements, including covering or temporarily removing any window coverings so as to guard against dust, debris or damage.

2.1. Work Plans. Tenant shall prepare and submit to Landlord for approval schematics covering the Tenant Improvements prepared in conformity with the applicable provisions of this Work Letter (the "**Draft Schematic Plans**"). The Draft Schematic Plans shall contain sufficient information and detail to accurately describe the proposed design to Landlord and such other information as Landlord may reasonably request. Landlord shall notify Tenant in writing within ten (10) business days after receipt of the Draft Schematic Plans whether Landlord approves or objects to the Draft Schematic Plans and of the manner, if any, in which the Draft Schematic Plans are unacceptable. Landlord's failure to respond within such ten (10) business day period shall be deemed approval by Landlord. If Landlord reasonably objects to the Draft Schematic Plans, then Tenant shall revise the Draft Schematic Plans and cause Landlord's objections to be remedied in the revised Draft Schematic Plans. Tenant shall then resubmit the revised Draft Schematic Plans to Landlord for approval, such approval not to be unreasonably withheld, conditioned or delayed. Landlord's approval of or objection to revised Draft Schematic Plans and Tenant's correction of the same shall be in accordance with this Section until Landlord has approved the Draft Schematic Plans in writing or been deemed to have approved them. The iteration of the Draft Schematic Plans that is approved or deemed approved by Landlord without objection shall be referred to herein as the "**Approved Schematic Plans**."

2.2. Construction Plans. Tenant shall prepare final plans and specifications for the Tenant Improvements that (a) are consistent with and are logical evolutions of the Approved Schematic Plans and (b) incorporate any other Tenant-requested (and Landlord-approved) Changes (as defined below). As soon as such final plans and specifications ("**Construction Plans**") are completed, Tenant shall deliver the same to Landlord for Landlord's approval, which approval shall not be unreasonably withheld, conditioned or delayed. All such Construction Plans shall be submitted by Tenant to Landlord in electronic .pdf, CADD and full-size hard copy formats, and shall be approved or disapproved by Landlord within ten (10) business days after delivery to Landlord. Landlord's failure to respond within such ten (10) business day period shall be deemed approval by Landlord. If the Construction Plans are disapproved by Landlord, then Landlord shall notify Tenant in writing of its objections to such Construction Plans, and the parties shall confer and negotiate in good faith to reach agreement on the Construction Plans. Promptly after the Construction Plans are approved by Landlord and Tenant, two (2) copies of such Construction Plans shall be initialed and dated by Landlord and Tenant, and Tenant shall promptly submit such Construction Plans to all appropriate Governmental Authorities for approval. The Construction Plans so approved, and all change orders approved (to the extent required) by Landlord, are referred to herein as the "**Approved Plans**."

2.3. Changes to the Tenant Improvements. Any material changes to the Approved Plans (each, a "**Change**") requested by Tenant shall be subject to the prior written approval of Landlord, not to be unreasonably withheld, conditioned or delayed. Any such Change request shall detail the nature and extent of any requested Changes, including any modification of the Approved Plans and the Schedule, as applicable, necessitated by the Change. In the event that Landlord fails to respond to any such Change request within five (5) business days of receipt, such Change shall be deemed approved.

3. Completion of Tenant Improvements. Tenant, at its sole cost and expense (except for the TI Allowance), shall perform and complete the Tenant Improvements in all respects (a) in substantial conformance with the Approved Plans, (b) otherwise in compliance with provisions of the Lease and this Work Letter and (c) in accordance with Applicable Laws, the requirements of Tenant's insurance carriers, the requirements of Landlord's insurance carriers (to the extent Landlord provides its insurance carriers' requirements to Tenant) and the board of fire underwriters having jurisdiction over the Premises. The Tenant Improvements shall be deemed completed at such time as Tenant shall furnish to Landlord (t) evidence satisfactory to Landlord that (i) all Tenant Improvements have been completed and paid for in full (which shall be evidenced by the architect's certificate of completion and the general contractor's and each subcontractor's and material supplier's final unconditional waivers and releases of liens, each in a form acceptable to Landlord and complying with Applicable Laws, and a Certificate of Substantial Completion in the form of the American Institute of Architects document G704, executed by the project architect and the general contractor, together with a statutory notice of substantial completion from the general contractor), (ii) all Tenant Improvements have been accepted by Landlord, (iii) any and all liens related to the Tenant Improvements have either been discharged of record (by payment, bond, order of a court of competent jurisdiction or otherwise) or waived by the party filing such lien and (iv) no security interests relating to the Tenant

Improvements are outstanding, (u) all certifications and approvals with respect to the Tenant Improvements that may be required from any Governmental Authority and any board of fire underwriters or similar body for the use and occupancy of the Premises (including a certificate of occupancy for the Premises for the Permitted Use), (v) certificates of insurance required by the Lease to be purchased and maintained by Tenant, (w) an affidavit from Tenant's architect certifying that all work performed in, on or about the Premises is in accordance with the Approved Plans, (x) complete "as built" drawing print sets, project specifications and shop drawings and electronic CADD files on disc (showing the Tenant Improvements as an overlay on the applicable Building(s) "as built" plans for work performed by their architect and engineers in relation to the Tenant Improvements, (y) a commissioning report prepared by a licensed, qualified commissioning agent hired by Tenant and approved by Landlord for all new or affected mechanical, electrical and plumbing systems (which report Landlord may hire a licensed, qualified commissioning agent to peer review, and whose reasonable recommendations Tenant's commissioning agent shall perform and incorporate into a revised report) and (z) such other "close out" materials as Landlord reasonably requests, such as copies of manufacturers' warranties, operation and maintenance manuals and the like.

4. Insurance.

4.1. Property Insurance. At all times during the period beginning with commencement of construction of the Tenant Improvements and ending with final completion of the Tenant Improvements, Tenant shall maintain, or cause to be maintained (in addition to the insurance required of Tenant pursuant to the Lease), property insurance insuring Landlord and the Landlord Parties, as their interests may appear. Such policy shall, on a completed values basis for the full insurable value at all times, insure against loss or damage by fire, vandalism and malicious mischief and other such risks as are customarily covered by the so-called "broad form extended coverage endorsement" upon all Tenant Improvements and the general contractor's and any subcontractors' machinery, tools and equipment, all while each forms a part of, or is contained in, the Tenant Improvements or any temporary structures on the Premises, or is adjacent thereto; provided that, for the avoidance of doubt, insurance coverage with respect to the general contractor's and any subcontractors' machinery, tools and equipment shall be carried on a primary basis by such general contractor or the applicable subcontractor(s). Tenant agrees to pay any deductible, and Landlord is not responsible for any deductible, for a claim under such insurance. Such property insurance shall contain an express waiver of any right of subrogation by the insurer against Landlord and the Landlord Parties, and shall name Landlord and its affiliates as loss payees as their interests may appear.

4.2. Workers' Compensation Insurance. At all times during the period of construction of the Tenant Improvements, Tenant shall, or shall cause its contractors or subcontractors to, maintain statutory workers' compensation insurance as required by Applicable Laws.

5. Liability. Tenant assumes sole responsibility and liability for any and all injuries or the death of any persons, including Tenant's contractors and subcontractors and their respective employees, agents and invitees, and for any and all damages to property caused by, resulting from or arising out of any act or omission on the part of Tenant, Tenant's contractors or subcontractors, or their respective employees, agents and invitees in the prosecution of the Tenant Improvements. Tenant agrees to indemnify, save, defend (at Landlord's option and with counsel reasonably acceptable to Landlord) and hold the Landlord Indemnitees harmless from and against all Claims due to, because of or arising out of any and all such injuries, death or damage, whether real or alleged, and Tenant and Tenant's contractors and subcontractors shall assume and defend at their sole cost and expense all such Claims; provided, however, that nothing contained in this Work Letter shall be deemed to indemnify or otherwise hold Landlord harmless from or against liability caused by Landlord's gross negligence or willful misconduct. Any deficiency in design or construction of the Tenant Improvements shall be solely the responsibility of Tenant (or its architect or contractor), notwithstanding the fact that Landlord may have approved of the same in writing.

6. TI Allowance.

6.1. Application of TI Allowance. Subject to the provisions of Section 5 of the Lease, Landlord shall contribute the TI Allowance toward the costs and expenses incurred in connection with the performance of the Tenant Improvements, in accordance with Section 5 of the Lease. If the entire TI Allowance is not applied toward or reserved for the costs of the Tenant Improvements, then Tenant shall not be entitled to a credit of such unused

portion of the TI Allowance. Tenant may apply the TI Allowance for the payment of construction and other costs in accordance with the terms and provisions of the Lease.

6.2. Approval of Budget for the Tenant Improvements. Notwithstanding anything to the contrary set forth elsewhere in this Work Letter or the Lease, Landlord shall not have any obligation to expend any portion of the TI Allowance until Landlord and Tenant shall have approved in writing the budget for the Tenant Improvements (the "**Approved Budget**"). Prior to Landlord's approval of the Approved Budget, Tenant shall pay all of the costs and expenses incurred in connection with the Tenant Improvements as they become due. Landlord shall not be obligated to reimburse Tenant for costs or expenses relating to the Tenant Improvements that exceed the amount of the TI Allowance. Landlord shall not unreasonably withhold, condition or delay its approval of any budget for Tenant Improvements that is proposed by Tenant.

6.3. Fund Requests. Subject to Section 5 of the Lease, Upon submission by Tenant to Landlord of (a) a statement (a "**Fund Request**") setting forth the total amount of the TI Allowance requested, (b) a summary of the Tenant Improvements performed using AIA standard form Application for Payment (G 702) executed by the general contractor and by the architect, (c) invoices from the general contractor, the architect, and any subcontractors, material suppliers and other parties in the amount of the TI Allowance requested by Tenant for reimbursement, (d) unconditional lien releases from the general contractor and each subcontractor and material supplier with respect to all payments made by Tenant for the Tenant Improvements in a form acceptable to Landlord and complying with Applicable Laws; and (e) the items required to be delivered by Tenant pursuant to Section 5 of the Lease, then Landlord shall, within fifteen (15) days following receipt by Landlord of the Fund Request and all accompanying materials required by this Section, pay to Tenant the amount of the TI Allowance requested.

7. Miscellaneous.

7.1. Incorporation of Lease Provisions. Sections 35.2 through 35.18 of the Lease are incorporated into this Work Letter by reference, and shall apply to this Work Letter in the same way that they apply to the Lease.

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IN WITNESS WHEREOF, Landlord and Tenant have executed this Work Letter to be effective on the date first above written.

LANDLORD:

IIP-MA 4 LLC,
a Delaware limited liability company

By: _____
Name: Brian Wolfe
Title: Vice President, General Counsel and Secretary

TENANT:

MASSGROW, LLC,
a Massachusetts limited liability company

By: _____
Name: _____
Title: _____

EXHIBIT E-1

TENANT WORK INSURANCE SCHEDULE

Tenant shall be responsible for requiring all of Tenant contractors doing construction or renovation work to purchase and maintain such insurance as shall protect it from the claims set forth below which may arise out of or result from any Tenant Work whether such Tenant Work is completed by Tenant or by any Tenant contractors or by any person directly or indirectly employed by Tenant or any Tenant contractors, or by any person for whose acts Tenant or any Tenant contractors may be liable:

1. Claims under workers' compensation, disability benefit and other similar employee benefit acts which are applicable to the Tenant Work to be performed.

2. Claims for damages because of bodily injury, occupational sickness or disease, or death of employees under any applicable employer's liability law.

3. Claims for damages because of bodily injury, or death of any person other than Tenant's or any Tenant contractors' employees.

4. Claims for damages insured by usual personal injury liability coverage which are sustained (a) by any person as a result of an offense directly or indirectly related to the employment of such person by Tenant or any Tenant contractors or (b) by any other person.

5. Claims for damages, other than to the Tenant Work itself, because of injury to or destruction of tangible property, including loss of use therefrom.

6. Claims for damages because of bodily injury or death of any person or property damage arising out of the ownership, maintenance or use of any motor vehicle.

Tenant contractors' Commercial General Liability Insurance shall include premises/operations (including explosion, collapse and underground coverage if such Tenant Work involves any underground work), elevators, independent contractors, products and completed operations, and blanket contractual liability on all written contracts, all including broad form property damage coverage.

Tenant contractors' Commercial General, Automobile, Employers and Umbrella Liability Insurance shall be written for not less than limits of liability as follows:

a.	Commercial General Liability: Bodily Injury and Property Damage	Commercially reasonable amounts, but in any event no less than $[***] per occurrence and $[***] general aggregate, with $[***] products and completed operations aggregate.
b.	Commercial Automobile Liability: Bodily Injury and Property Damage	$[***] per accident
c.	Employer's Liability: Each Accident Disease – Policy Limit Disease – Each Employee	 $[***] $[***] $[***]
d.	Umbrella Liability: Bodily Injury and Property Damage	Commercially reasonable amounts (excess of coverages a, b and c above), but in any event no less than $[***] per occurrence / aggregate.

All subcontractors for Tenant contractors shall carry the same coverages and limits as specified above, unless different limits are reasonably approved by Landlord. The foregoing policies shall contain a provision that coverages afforded under the policies shall not be canceled or not renewed until at least thirty (30) days' prior written notice has been given to the Landlord. Certificates of insurance including required endorsements showing

such coverages to be in force shall be filed with Landlord prior to the commencement of any Tenant Work and prior to each renewal. Coverage for completed operations must be maintained for the lesser of ten (10) years and the applicable statue of repose following completion of the Tenant Work, and certificates evidencing this coverage must be provided to Landlord. The minimum A.M. Best's rating of each insurer shall be A- VII. Landlord and its mortgagees shall be named as an additional insureds under Tenant contractors' Commercial General Liability, Commercial Automobile Liability and Umbrella Liability Insurance policies as respects liability arising from work or operations performed, or ownership, maintenance or use of autos, by or on behalf of such contractors. Each contractor and its insurers shall provide waivers of subrogation with respect to any claims covered or that should have been covered by valid and collectible insurance, including any deductibles or self-insurance maintained thereunder.

If any contractor's work involves the handling or removal of asbestos (as determined by Landlord in its sole and absolute discretion), such contractor shall also carry Pollution Legal Liability insurance. Such coverage shall include bodily injury, sickness, disease, death or mental anguish or shock sustained by any person; property damage, including physical injury to or destruction of tangible property (including the resulting loss of use thereof), clean-up costs and the loss of use of tangible property that has not been physically injured or destroyed; and defense costs, charges and expenses incurred in the investigation, adjustment or defense of claims for such damages. Coverage shall apply to both sudden and non-sudden pollution conditions including the discharge, dispersal, release or escape of smoke, vapors, soot, fumes, acids, alkalis, toxic chemicals, liquids or gases, waste materials or other irritants, contaminants or pollutants into or upon land, the atmosphere or any watercourse or body of water. Claims-made coverage is permitted, provided the policy retroactive date is continuously maintained prior to the Commencement Date, and coverage is continuously maintained during all periods in which Tenant occupies the Premises. Coverage shall be maintained with limits of not less than $[***] per incident with a $[***] policy aggregate.

CONFIDENTIAL TREATMENT REQUESTED - REDACTED COPY

COMMERCIAL LEASE

1. **Basic Provisions ("*Basic Provisions*").**

1.1 **Parties**. This Commercial Lease ("***Lease***"), dated for reference purposes only July 5, 2019 is made by and between **LCR 1014 EASTPORT PLAZA, LLC**, a Delaware limited liability company ("***Lessor***") and **healthcentral illinois holdings, llc**, an Illinois limited liability company ("***Lessee***"), (collectively the "***Parties***," or individually a "***Party***").

1.2 **Premises**. That certain real property, including all improvements therein, commonly known as 1014 Eastport Plaza Drive, Collinsville, Illinois ("***Premises***"). The Premises are located in the County of Madison, and are generally described as APN: 13-2-21-29-03-301-016. (See also Paragraph 2.)

1.3 **Term**. Ten (10) years and zero (0) months ("***Original Term***") commencing upon the "Closing" as defined in that certain Purchase and Sale Agreement dated July __, 2019, as amended, by and between Lessor, as Purchaser, and HealthCentral Illinois Holdings, LLC, as Seller ("***Commencement Date***") and ending on the last day of the one hundred twentieth (120th) following the Commencement Date ("***Expiration Date***"). (See also Paragraph 3.)

1.4 **Base Rent**. Eighty Two Thousand Five Hundred Dollars and Zero Cents ($82,500.00) per month ("***Base Rent***"), payable on the first (1st) day of each month commencing on the Commencement Date. (See also Paragraph 4.)

☒ If this box is checked, there are provisions in this Lease for the Base Rent to be adjusted. See Paragraph 49.

1.5 **Base Rent and Other Monies Paid Upon Execution:**

(a) Base Rent: $82,500.00 for the first month following the Commencement Date.

(b) Security Deposit: $82,500.00 ("***Security Deposit***"). (See also Paragraph 5)

(c) Total Due Upon Execution of this Lease: $165,000.00.

1.6 **Agreed Use**. A cannabis dispensary, and any other related lawful use ("***Agreed Use***"). (See also Paragraph 6 and Paragraph 51)

1.7 **Insuring Party**. Lessee is the "Insuring Party" unless otherwise stated herein. (See also Paragraph 8)

1.8 **Real Estate Brokers**. None. (See also Paragraph 57).

1.9 **Guarantor**. The obligations of the Lessee under this Lease are to be guaranteed by Ascend Wellness Holdings, LLC, a Delaware limited liability company ("***Guarantor***"). (See also Paragraph 35)

2. **Premises.**

2.1 **Letting**. Lessor hereby leases to Lessee, and Lessee hereby leases from Lessor, the Premises, for the term, at the rental, and upon all of the terms, covenants and conditions set forth in this Lease. While the approximate square footage of the Premises may have been used in the marketing of the Premises for purposes of comparison, the Base Rent stated herein is NOT tied to square footage and is not subject to adjustment should the actual size be determined to be different. NOTE: Lessee is advised to verify the actual size prior to executing this Lease.

2.2 **Condition**. Lessor shall deliver the Premises to Lessee in its AS IS condition. Lessor has made no representations or warranties relative to the condition of the Premises or its fitness for the Agreed Use or to its compliance with Applicable Requirements (as hereinafter defined) and Lessee has had the opportunity to make a full

and complete investigation of the Premises and accepts the Premises in their AS IS condition without any obligation on the Lessor's part to perform any work thereto.

2.3 **Compliance**. Lessee is responsible for determining whether or not the building codes, applicable laws, covenants and restrictions of record, regulations, laws and ordinances and zoning ("***Applicable Requirements***"), are appropriate for Lessee's intended use, and acknowledges that past uses of the Premises may no longer be allowed. If the Applicable Requirements are hereafter changed so as to require during the term of this Lease the construction of an addition to or an alteration of the Premises, the remediation of any Hazardous Substance, or the reinforcement or other physical modification of the Premises ("***Capital Expenditure***"), Lessor and Lessee shall allocate the cost of such work as follows:

(a) Subject to Paragraph 2.3(c) below, if such Capital Expenditures are required as a result of the specific and unique use of the Premises by Lessee as compared with uses by tenants in general, Lessee shall be fully responsible for the cost thereof.

(b) If such Capital Expenditure is not the result of the specific and unique use of the Premises by Lessee (such as, governmentally mandated seismic modifications), then Lessor shall pay for such Capital Expenditure at Lessee's sole cost and expense, and the Capital Expenditure shall be amortized over a twelve (12) year period from the date when it is incurred and upon the expiration of this Lease, provided that the Lessee is not in default under this Lease, Lessor shall reimburse Lessee for the unamortized portion of such Capital Expenditure.

(c) Notwithstanding the above, the provisions concerning Capital Expenditures are intended to apply only to non-voluntary, unexpected, and new Applicable Requirements. If the Capital Expenditures are instead triggered by Lessee as a result of an actual or proposed change in use, change in intensity of use, or modification to the Premises then, and in that event, Lessee shall either: (i) immediately cease such changed use or intensity of use and/or take such other steps as may be necessary to eliminate the requirement for such Capital Expenditure, or (ii) complete such Capital Expenditure at its own expense. Lessee shall not, however, have any right to terminate this Lease.

2.4 **Acknowledgements**. Lessee acknowledges that: (a) it has been given an opportunity to inspect and measure the Premises, (b) it has been advised by Lessor and/or Brokers to satisfy itself with respect to the size and condition of the Premises (including but not limited to the electrical, HVAC and fire sprinkler systems, security, environmental aspects, and compliance with Applicable Requirements and the Americans with Disabilities Act), and their suitability for Lessee's intended use, (c) Lessee has made such investigation as it deems necessary with reference to such matters and assumes all responsibility therefor as the same relate to its occupancy of the Premises, (d) it is not relying on any representation as to the size of the Premises made by Brokers or Lessor, (e) the square footage of the Premises was not material to Lessee's decision to lease the Premises and pay the Rent stated herein, and (f) neither Lessor, nor Lessor's agents, nor Brokers have made any oral or written representations or warranties with respect to said matters other than as set forth in this Lease.

3. **Term.**

3.1 **Term**. The Commencement Date, Expiration Date and Original Term of this Lease are as specified in Paragraph 1.3.

3.2 **Possession**. Lessor shall deliver possession of the Premises to Lessee on the Commencement Date.

4. **Rent.**

4.1 **Rent Defined**. All monetary obligations of Lessee to Lessor under the terms of this Lease (except for the Security Deposit) are deemed to be rent ("***Rent***"). Any and all other sums of money or charges to be paid by Lessee pursuant to the provisions of this Lease other than Base Rent are hereby designated as and included in the term "***Additional Rent***." A failure to pay Additional Rent shall be treated in all events as the failure to pay Rent.

4.2 **Payment**. Lessee shall cause payment of Rent to be received by Lessor in lawful money of the United States, without offset or deduction (except as specifically permitted in this Lease), on or before the day on

which it is due. All monetary amounts shall be rounded to the nearest whole dollar. In the event that any invoice prepared by Lessor is inaccurate such inaccuracy shall not constitute a waiver and Lessee shall be obligated to pay the amount set forth in this Lease. Rent for any period during the term hereof which is for less than one full calendar month shall be prorated based upon the actual number of days of said month. Payment of Rent shall be made to Lessor at its address stated herein or to such other persons or place as Lessor may from time to time designate in writing. Acceptance of a payment which is less than the amount then due shall not be a waiver of Lessor's rights to the balance of such Rent, regardless of Lessor's endorsement of any check so stating. In the event that any check, draft, or other instrument of payment given by Lessee to Lessor is dishonored for any reason, Lessee agrees to pay to Lessor the sum of $25 in addition to any Late Charge and Lessor, at its option, may require all future Rent be paid by cashier's check. Payments will be applied first to accrued late charges and attorney's fees, second to accrued interest, then to Base Rent, and any remaining amount to any other outstanding charges or costs. All payments hereunder shall be made by check or wire transfer and may not be made in cash.

4.3 **Operating Costs Payment.** Lessee shall pay to Lessor the Operating Costs as set forth in Paragraph 62. Further, Lessee shall during each calendar year pay to Lessor an estimate of the Operating Costs as hereinafter set forth. Beginning on the Commencement Date, Lessee shall pay to Lessor each month on the first day of the month an amount equal to one-twelfth (1/12) of the Operating Costs for the calendar year in question as reasonably estimated by Lessor, with an adjustment to be made between the parties at a later date as hereinafter provided. If the Commencement Date is not the first day of a calendar month, Lessee shall pay a prorated portion of the Operating Costs for such partial month on the Commencement Date. Furthermore, Lessor may from time to time furnish Lessee with notice of a re-estimation of the amount of the Operating Costs and Lessee shall commence paying its re-estimated Operating Costs on the first day of the month following receipt of said notice. As soon as practicable following the end of any calendar year, Lessor shall submit to Lessee a statement setting forth the exact amount of the Operating Costs for the calendar year just completed and the difference, if any, between the actual Operating Costs for the calendar year just completed and the estimated amount of Operating Costs which were paid for such year. Such statement shall also set forth the amount of the estimated Operating Costs reimbursement for the new calendar year computed in accordance with the foregoing provisions. To the extent that the actual Operating Costs for the period covered by such statement is higher than the estimated payments which Lessee previously paid during the calendar year just completed, Lessee shall pay to Lessor the difference within thirty (30) days following receipt of said statement from Lessor. To the extent that the actual Operating Costs for the period covered by the applicable statement is less than the estimated payments which Lessee previously paid during the calendar year just completed, Lessor shall at its option either refund said amount to Lessee within thirty (30) days or credit the difference against Lessee's estimated reimbursement for such Operating Costs for the current year. In addition, with respect to the monthly reimbursement, until Lessee receives such statement, Lessee's monthly reimbursement for the new calendar year shall continue to be paid at the then current rate, but Lessee shall commence payment to Lessor of the monthly installments of reimbursement on the basis of the statement beginning on the first day of the month following the month in which Lessee receives such statement.

5. **Security Deposit**. Lessee shall deposit with Lessor upon execution hereof the Security Deposit as security for Lessee's faithful performance of its obligations under this Lease. If Lessee fails to pay Rent and such failure continues beyond all applicable notice and cure periods, or otherwise Defaults is in Breach under this Lease, Lessor may use, apply or retain all or any portion of said Security Deposit for the payment of any amount already due Lessor, for Rents which will be due in the future, and/ or to reimburse or compensate Lessor for any liability, expense, loss or damage which Lessor may suffer or incur by reason thereof. If Lessor uses or applies all or any portion of the Security Deposit, Lessee shall within ten (10) days after written request therefor deposit monies with Lessor sufficient to restore said Security Deposit to the full amount required by this Lease. If the Base Rent increases during the term of this Lease, Lessee shall, upon written request from Lessor, deposit additional monies with Lessor so that the total amount of the Security Deposit shall at all times bear the same proportion to the increased Base Rent as the initial Security Deposit bore to the initial Base Rent. Should the Agreed Use be amended to accommodate a material change in the business of Lessee or to accommodate a sublessee or assignee, Lessor shall have the right to increase the Security Deposit to the extent necessary, in Lessor's reasonable judgment, to account for any increased wear and tear that the Premises may suffer as a result thereof. If a change in control of Lessee occurs during this Lease and following such change the financial condition of Lessee is, in Lessor's reasonable judgment, significantly reduced, Lessee shall deposit such additional monies with Lessor as shall be sufficient to

cause the Security Deposit to be at a commercially reasonable level based on such change in financial condition. Lessor shall not be required to keep the Security Deposit separate from its general accounts. Within thirty (30) days after the expiration or termination of this Lease, Lessor shall return that portion of the Security Deposit not used or applied by Lessor together with an itemized statement showing any deductions made by Lessor. Lessor shall upon written request provide Lessee with an accounting showing how that portion of the Security Deposit that was not returned was applied. No part of the Security Deposit shall be considered to be held in trust, to bear interest or to be prepayment for any monies to be paid by Lessee under this Lease. THE SECURITY DEPOSIT SHALL NOT BE USED BY LESSEE IN LIEU OF PAYMENT OF THE LAST MONTH'S RENT. Any Lender shall not be responsible for the Security Deposit until it has received the same. Lessee waives the provisions of all provisions of law now in force or that become in force after the date of execution of this Lease, that provide that Lessor may claim from a security deposit only those sums reasonably necessary to remedy defaults in the payment of rent, to repair damage caused by Lessee, or to clean the Premises. Lessor and Lessee agree that Lessor may, in addition, claim those sums reasonably necessary to compensate Lessee for any other foreseeable or unforeseeable loss or damage caused by the act or omission of Lessee or Lessor's officers, agents, employees, independent contractors, or invitees.

6. **Use.**

6.1 **Use**. Lessee shall use and occupy the Premises only for the Agreed Use, or any other legal use which is reasonably comparable thereto, and for no other purpose. Lessee shall not use or permit the use of the Premises in a manner that is unlawful, creates damage, waste or a nuisance, or that disturbs occupants of or causes damage to neighboring premises or properties. Other than guide, signal and seeing eye dogs, Lessee shall not keep or allow in the Premises any pets, animals, birds, fish, or reptiles. Lessor shall not unreasonably withhold or delay its consent to any written request for a modification of the Agreed Use, so long as the same will not impair the structural integrity of the improvements on the premises or the mechanical or electrical systems therein, and/or is not significantly more burdensome to the Premises. If Lessor elects to withhold consent, Lessor shall within seven (7) days after such request give written notification of same, which notice shall include an explanation of Lessor's objections to the change in the Agreed Use.

Lessee shall use commercially reasonable efforts to ensure that patients, customers, employees, agents, and owners of Lessee and Lessee's dispensary neither loiter, nor use, smoke, vape, dab, consume, in any form or fashion, any marijuana product in the Premises or on any sidewalks, parking areas or walkways serving the same. Since marijuana products may cause odors that migrate off site, Lessee shall have the duty to reasonably mitigate odors.

Lessee agrees that no smoking of any kind shall be permitted by any of Lessee's employees, agents, customers or invitees in the Premises or on any sidewalks, parking areas or walkways serving the same.

Notwithstanding the foregoing, Lessor acknowledges that the sidewalks, parking areas and walkways referenced in the preceding paragraphs are public areas outside of Lessee's control and Lessor therefore agrees that Lessee's responsibility with respect to those spaces shall be limited to making commercially reasonable efforts within the Premises to request that patients, customers, employees, agents, and owners of Lessee refrain from loitering or using/consuming cannabis in any way in these areas.

As soon as reasonably possible after the Commencement Date, Lessee shall open for business at the Premises for the Agreed Use.

6.2 **Hazardous Substances**.

(a) **Reportable Uses Require Consent**. The term "**Hazardous Substance**" as used in this Lease shall mean any product, substance, or waste whose presence, use, manufacture, disposal, transportation, or release, either by itself or in combination with other materials expected to be on the Premises, is either: (i) potentially injurious to the public health, safety or welfare, the environment or the Premises, (ii) regulated or monitored by any applicable state or local governmental authority, or (iii) a basis for potential liability of Lessor to any applicable state or local governmental agency or third party under any applicable statute or common law theory. Hazardous Substances shall include, but not be limited to, hydrocarbons, petroleum, gasoline, and/or crude oil or any products, by-products or fractions thereof. Notwithstanding anything to the contrary herein, Hazardous Substance shall not include cannabis/

marijuana or products derived therefrom. Except as otherwise provided herein, Lessee shall not engage in any activity in or on the Premises which constitutes a Reportable Use of Hazardous Substances without notice to the express prior written consent of Lessor and timely compliance (at Lessee's expense) with all Applicable Requirements. "**Reportable Use**" shall mean (i) the installation or use of any above or below ground storage tank, (ii) the generation, possession, storage, use, transportation, or disposal of a Hazardous Substance that requires a permit from, or with respect to which a report, notice, registration or business plan is required to be filed with, any governmental authority, and/or (iii) the presence at the Premises of a Hazardous Substance with respect to which any Applicable Requirements requires that a notice be given to persons entering or occupying the Premises or neighboring properties. Notwithstanding the foregoing, Lessee may use any ordinary and customary materials reasonably required to be used in the normal course of the Agreed Use, ordinary office supplies (copier toner, liquid paper, glue, etc.) and common household cleaning materials, so long as such use is in compliance with all Applicable Requirements, is not a Reportable Use, and does not expose the Premises or neighboring property to any meaningful risk of contamination or damage or expose Lessor to any liability therefor. In addition, Lessor may condition its consent to any Reportable Use upon receiving such additional assurances as Lessor reasonably deems necessary to protect itself, the public, the Premises and/or the environment against damage, contamination, injury and/or liability, including, but not limited to, the installation (and removal on or before Lease expiration or termination) of protective modifications (such as concrete encasements) and/or increasing the Security Deposit.

(b) **Duty to Inform Lessor**. If Lessee knows, or has reasonable cause to believe, that a Hazardous Substance has come to be located in, on, under or about the Premises, other than as previously consented to by Lessor (a "***Hazardous Substance Condition***"), Lessee shall immediately give written notice of such fact to Lessor, and provide Lessor with a copy of any report, notice, claim or other documentation which it has concerning the presence of such Hazardous Substance.

(c) **Lessee Remediation**. Lessee shall not cause or permit its employees, agents, contractors or invitees to cause any Hazardous Substance to be spilled or released in, on, under, or about the Premises (including through the plumbing or sanitary sewer system) and shall promptly, at Lessee's expense, comply with all Applicable Requirements and take all investigatory and/or remedial action reasonably recommended, whether or not formally ordered or required, for the cleanup of any contamination of, and for the maintenance, security and/or monitoring of the Premises or neighboring properties, that was caused or materially contributed to by Lessee, or pertaining to or involving any Hazardous Substance brought onto the Premises during the term of this Lease, by or for Lessee, or its employees, agents or contractors or any third party.

(d) **Lessee Indemnification**. Lessee shall indemnify, defend and hold Lessor, its agents, employees, lenders and ground lessor, if any, harmless from and against any and all loss of rents and/or damages, liabilities, judgments, claims, expenses, penalties, and attorneys' and consultants' fees arising out of or involving any Hazardous Substance brought onto the Premises by or for Lessee, or any employee, agent, or contractor of Lessee (provided, however, that Lessee shall have no liability under this Lease with respect to (a) any acts or omissions of Lessor or its employees, agents or contractors or (b) underground migration of any Hazardous Substance under the Premises from adjacent properties not caused or contributed to by Lessee). Lessee's obligations shall include, but not be limited to, the effects of any contamination or injury to person, property or the environment created or suffered by Lessee, and the cost of investigation, removal, remediation, restoration and/or abatement, and shall survive the expiration or termination of this Lease. No termination, cancellation or release agreement entered into by Lessor and Lessee shall release Lessee from its obligations under this Lease with respect to Hazardous Substances, unless specifically so agreed by Lessor in writing at the time of such agreement.

(e) **Lessor Indemnification**. Except as otherwise provided in paragraph 8.7, Lessor and its successors and assigns shall indemnify, defend, reimburse and hold Lessee, its employees and lenders, harmless from and against any and all environmental damages, including the cost of remediation, which are caused by the gross negligence or willful misconduct of Lessor, its agents or employees. Lessor's obligations, as and when required by the Applicable Requirements, shall include, but not be limited to, the cost of investigation, removal, remediation, restoration and/or abatement, and shall survive the expiration or termination of this Lease.

(f) **Investigations and Remediations**. Lessor shall retain the responsibility and pay for any investigations or remediation measures required by governmental entities having jurisdiction with respect to the

existence of Hazardous Substances on the Premises prior to Lessee's occupancy, unless such remediation measure is required as a result of Lessee's use (including "Alterations", as defined in Paragraph 7.2(a) below) of the Premises, in which event Lessee shall be responsible for such payment. Lessee shall cooperate fully in any such activities at the request of Lessor, including allowing Lessor and Lessor's agents to have reasonable access to the Premises at reasonable times in order to carry out Lessor's investigative and remedial responsibilities.

(g) **Lessor Termination Option**. If a Hazardous Substance Condition occurs during the term of this Lease, unless Lessee is responsible therefor as provided in this Lease (in which case Lessee shall make the investigation and remediation thereof required by the Applicable Requirements and this Lease shall continue in full force and effect, but subject to Lessor's rights under Paragraph 6.2(d) and Paragraph 13), Lessor may, at Lessor's option, either (i) investigate and remediate such Hazardous Substance Condition, if required, as soon as reasonably possible at Lessor's expense, in which event this Lease shall continue in full force and effect, or (ii) if the estimated cost to remediate such condition exceeds $[***], give written notice to Lessee, within thirty (30) days after receipt by Lessor of knowledge of the occurrence of such Hazardous Substance Condition, of Lessor's desire to terminate this Lease as of the date 60 days following the date of such notice. In the event Lessor elects to give a termination notice, Lessee may, within 10 days thereafter, give written notice to Lessor of Lessee's commitment to pay the amount by which the cost of the remediation of such Hazardous Substance Condition exceeds $[***]. Lessee shall provide Lessor with said funds or satisfactory assurance thereof within thirty (30) days following such commitment. In such event, this Lease shall continue in full force and effect, and Lessor shall proceed to make such remediation as soon as reasonably possible after the required funds are available. If Lessee does not give such notice and provide the required funds or assurance thereof within the time provided, this Lease shall terminate as of the date specified in Lessor's notice of termination.

6.3 **Lessee's Compliance with Applicable Requirements**. Except as otherwise provided in this Lease, Lessee shall, at Lessee's sole expense, fully, diligently and in a timely manner, materially comply with all Applicable Requirements related to Lessee's business and specific and unique use, the requirements of any applicable fire insurance underwriter or rating bureau, and the reasonable recommendations of Lessor's engineers and/or consultants which relate in any manner to the Premises, without regard to whether said Applicable Requirements are now in effect or become effective after the Commencement Date. Lessee shall, within 10 days after receipt of Lessor's written request, provide Lessor with copies of all permits and other documents, and other information evidencing Lessee's compliance with any Applicable Requirements specified by Lessor, and shall immediately upon receipt, notify Lessor in writing (with copies of any documents involved) of any threatened or actual claim, notice, citation, warning, complaint or report pertaining to or involving the failure of Lessee or the Premises to comply with any Applicable Requirements. Likewise, Lessee shall immediately give written notice to Lessor of: (i) any water damage to the Premises and any suspected seepage, pooling, dampness or other condition conducive to the production of mold; or (ii) any mustiness or other odors that might indicate the presence of mold in the Premises. In addition, Lessee shall provide copies of all relevant material safety data sheets (MSDS) to Lessor within 10 days of the receipt of a written request therefor. In addition, Lessee shall provide Lessor with copies of its business license, certificate of occupancy and/or any similar document within 10 days of the receipt of a written request therefor.

6.4 **Inspection; Compliance**. Lessor and Lessor's "Lender" (as defined in Paragraph 28) and consultants and other persons authorized by Lessor shall have the right to enter into Premises at any time, in the case of an emergency, and otherwise at reasonable times after reasonable notice, for the purpose of inspecting and/or testing the condition of the Premises and/or for verifying compliance by Lessee with this Lease. The cost of any such inspections shall be paid by Lessor, unless a violation of Applicable Requirements, or a Hazardous Substance Condition caused by Lessee (see paragraph 9.1) is found to exist or be imminent, or the inspection is requested or ordered by a governmental authority and is caused by Lessee. In such case, Lessee shall upon request reimburse Lessor for the cost of such inspection, so long as such inspection is reasonably related to the violation or contamination. In addition, Lessee shall provide copies of all relevant material safety data sheets (MSDS) to Lessor within ten (10) days of the receipt of a written request therefor. Lessee acknowledges that any failure on its part to allow such inspections or testing will expose Lessor to risks and potentially cause Lessor to incur costs not contemplated by this Lease, the extent of which will be extremely difficult to ascertain. Accordingly, should the Lessee fail to allow such inspections and/or testing in a timely fashion the Base Rent shall be automatically

increased, without any requirement for notice to Lessee, by an amount equal to [***]% of the then existing Base Rent or $100, whichever is greater for the remainder to the Lease. The Parties agree that such increase in Base Rent represents fair and reasonable compensation for the additional risk/costs that Lessor will incur by reason of Lessee's failure to allow such inspection and/or testing. Such increase in Base Rent shall in no event constitute a waiver of Lessee's Default or Breach with respect to such failure nor prevent the exercise of any of the other rights and remedies granted hereunder.

7. **Maintenance; Repairs; Utility Installations; Trade Fixtures and Alterations.**

7.1 **Lessee's Maintenance Obligations**.

(a) **In General**. Subject to reasonable wear and tear, the provisions of Paragraph 9 (Damage or Destruction), and 14 (Condemnation), Lessee shall, at Lessee's sole expense, keep the Premises, Utility Installations (intended for Lessee's exclusive use, no matter where located), and Alterations in good order, condition and repair, which shall include all necessary replacements (whether or not the portion of the Premises requiring repairs, or the means of repairing the same, are reasonably or readily accessible to Lessee, and whether or not the need for such repairs occurs as a result of Lessee's use, any prior use, the elements or the age of such portion of the Premises), including, but not limited to, all equipment or facilities, such as plumbing, HVAC equipment, electrical, lighting facilities, boilers, pressure vessels, fire protection system, fixtures, walls (interior and exterior), foundations, ceilings, roofs, roof drainage systems, floor coverings, windows, doors, plate glass, skylights, landscaping, driveways, parking lots, fences, retaining walls, signs, sidewalks and parkways located in, or on, or adjacent to the Premises. Lessee, in keeping the Premises in good order, condition and repair, shall exercise and perform good maintenance practices, specifically including the procurement and maintenance of the service contracts required by Paragraph 7.1(b) below. Lessee's obligations shall include restorations, replacements or renewals when necessary to keep the Premises and all improvements thereon or a part thereof in good order, condition and state of repair. Lessee shall, during the term of this Lease, keep the exterior appearance of the Building in a first-class condition (including, e.g. graffiti removal) consistent with the exterior appearance of other similar facilities of comparable age and size in the vicinity, including, when necessary, the exterior repainting of the Building. Lessee hereby waives all right to make repairs at Lessor's expense under applicable state or local law.

(b) **Service Contracts**. Lessee shall, at Lessee's sole expense, procure and maintain contracts, with copies to Lessor, in customary form and substance for, and with contractors specializing and experienced in the maintenance of the following equipment and improvements, if any, if and when installed on the Premises: (i) HVAC equipment, (ii) boiler, and pressure vessels, (iii) fire extinguishing systems, including fire alarm and/or smoke detection, (iv) landscaping and irrigation systems, (v) roof covering and drains, and (vi) clarifiers. However, Lessor reserves the right, upon notice to Lessee, to procure and maintain any or all of such service contracts, and Lessee shall reimburse Lessor, upon demand, for the cost thereof.

(c) **Failure to Perform**. If Lessee fails to perform Lessee's obligations under this Paragraph 7.1, Lessor may enter upon the Premises after ten (10) days' prior written notice to Lessee (except in the case of an emergency, in which case no notice shall be required), perform such obligations on Lessee's behalf, and put the Premises in good order, condition and repair, and Lessee shall promptly pay to Lessor a sum equal to [***]% of the cost thereof.

7.2 **Utility Installations; Trade Fixtures; Alterations.**

(a) **Definitions**. The term "**Utility Installations**" refers to all floor and window coverings, air and/or vacuum lines, power panels, electrical distribution, security and fire protection systems, communication cabling, lighting fixtures, HVAC equipment, plumbing, and fencing in or on the Premises. The term "**Trade Fixtures**" shall mean Lessee's machinery and equipment that can be removed without doing material damage to the Premises. The term "**Alterations**" shall mean any modification of the improvements, other than Utility Installations or Trade Fixtures, whether by addition or deletion. "**Lessee Owned Alterations and/or Utility Installations**" are defined as Alterations and/or Utility Installations made by Lessee that are not yet owned by Lessor pursuant to Paragraph 7.3(a).

(b) **Consent.** Lessee shall not make any Alterations or Utility Installations to the Premises without Lessor's prior written consent, which consent shall not be unreasonably withheld, conditioned or delayed. Lessee may, however, make non-structural Alterations or Utility Installations to the interior of the Premises (excluding the roof) without such consent but upon notice to Lessor, as long as they are not visible from the outside, do not involve puncturing, relocating or removing the roof or any existing walls, will not adversely affect the electrical, plumbing, HVAC, and/or life safety systems, do not trigger the requirement for additional modifications and/or improvements to the Premises resulting from Applicable Requirements, such as compliance with Title 24, and the cumulative cost thereof during this Lease as extended does not exceed a sum equal to 3 month's Base Rent in the aggregate or a sum equal to one month's Base Rent in any one year. Notwithstanding the foregoing, Lessee shall not make or permit any roof penetrations and/or install anything on the roof without the prior written approval of Lessor. Lessor may, as a precondition to granting such approval, require Lessee to utilize a contractor chosen and/or approved by Lessor. Any Alterations or Utility Installations that Lessee shall desire to make and which require the consent of the Lessor shall be presented to Lessor in written form with detailed plans. Consent shall be deemed conditioned upon Lessee's: (i) acquiring all applicable governmental permits, (ii) furnishing Lessor with copies of both the permits and the plans and specifications prior to commencement of the work, and (iii) compliance with all conditions of said permits and other Applicable Requirements in a prompt and expeditious manner. Any Alterations or Utility Installations shall be performed in a workmanlike manner with good and sufficient materials and in compliance with Applicable Requirements. Lessee shall promptly upon completion furnish Lessor with as-built plans and specifications. For work which costs an amount in excess of one month's Base Rent, Lessor may condition its consent upon Lessee providing a lien and completion bond in an amount equal to [***]% of the estimated cost of such Alteration or Utility Installation and/or upon Lessee's posting an additional Security Deposit with Lessor.

(c) **Liens; Bonds**. Lessee shall pay, when due, all claims for labor or materials furnished or alleged to have been furnished to or for Lessee or anyone claiming by, through or under Lessee at or for use on the Premises, which claims are or may be secured by any mechanic's or materialmen's lien against the Premises or any interest therein. Lessee shall give Lessor not less than ten (10) days' notice prior to the commencement of any work in, on or about the Premises, and Lessor shall have the right to post notices of non-responsibility. If Lessee shall contest the validity of any such lien, claim or demand, then Lessee shall, at its sole expense defend and protect itself, Lessor and the Premises against the same and shall pay and satisfy any such adverse judgment that may be rendered thereon before the enforcement thereof. If Lessor shall require, Lessee shall furnish a surety bond in an amount equal to [***]% of the amount of such contested lien, claim or demand, indemnifying Lessor against liability for the same. If Lessor elects to participate in any such action, Lessee shall pay Lessor's attorneys' fees and costs.

7.3 **Ownership; Removal; Surrender; and Restoration**.

(a) **Ownership**. Subject to Lessor's right to require removal or elect ownership as hereinafter provided and except as expressly provided herein, all Alterations and Utility Installations made by Lessee shall be the property of Lessee, but considered a part of the Premises. Lessor may, at any time, elect in writing to be the owner of all or any specified part of the Lessee Owned Alterations and Utility Installations. Unless otherwise instructed per paragraph 7.3(b) hereof, all Lessee Owned Alterations and Utility Installations shall, at the expiration or termination of this Lease, become the property of Lessor and be surrendered by Lessee with the Premises.

(b) **Removal**. Lessee may, but is not required to, remove any or all Lessee Owned Alterations or Utility Installations prior to the expiration or termination of this Lease. By delivery to Lessee of written notice from Lessor not earlier than 90 and not later than thirty (30) days prior to the end of the term of this Lease, Lessor may require that any or all Lessee Owned Alterations or Utility Installations be removed by the expiration or termination of this Lease. Lessor may require the removal at any time of all or any part of any Lessee Owned Alterations or Utility Installations made without the required consent.

(c) **Surrender; Restoration**. Lessee shall surrender the Premises by the Expiration Date or any earlier termination date, with all of the improvements, parts and surfaces thereof broom clean and free of debris, and in good operating order, condition and state of repair, ordinary wear and tear and damage caused by Lessor excepted. "Ordinary wear and tear" shall not include any damage or deterioration that would have been prevented by good maintenance practice. Notwithstanding the foregoing, if the Lessee occupies the Premises for 12 months or less, then Lessee shall surrender the Premises in the same condition as delivered to Lessee on the Commencement

Date with NO allowance for ordinary wear and tear. Lessee shall repair any damage occasioned by the installation, maintenance or removal of Trade Fixtures, Lessee owned Alterations and/or Utility Installations, furnishings, and equipment as well as the removal of any storage tank installed by or for Lessee. Lessee shall also remove from the Premises any and all Hazardous Substances brought onto the Premises by or for Lessee, or its employees, agents or contractors any third party (except Hazardous Substances which were deposited via underground migration from areas outside of the Premises) to the level specified in Applicable Requirements. Trade Fixtures shall remain the property of Lessee and shall be removed by Lessee. Any personal property of Lessee not removed on or before the Expiration Date or any earlier termination date shall be deemed to have been abandoned by Lessee and may be disposed of or retained by Lessor as Lessor may desire. The failure by Lessee to timely vacate the Premises pursuant to this Paragraph 7.3(c) without the express written consent of Lessor shall constitute a holdover under the provisions of Paragraph 24 below.

8. **Insurance; Indemnity.**

8.1 **Payment For Insurance**. Lessee shall pay for all insurance required under Paragraphs 8.2, 8.3 and 8.4. Premiums for policy periods commencing prior to or extending beyond the Lease term shall be prorated to correspond to the Lease term. Payment shall be made by Lessee to Lessor within ten (10) days following receipt of an invoice.

8.2 **Liability Insurance and Other Insurance**

(a) **Carried by Lessee.** Lessee agrees to maintain in full force and effect from the date on which Lessee first enters the Premises for any reason, throughout the Lease term, and thereafter so long as Lessee is in occupancy of any part of the Premises, a policy of commercial general liability insurance which insures Lessee's operation and use of the Premises and includes premises liability and products liability (including but not limited to cannabis retail/sales and dispensary use), the following exclusionary endorsements may be attached to this form, along with any standard and customary exclusions: nuclear energy exclusion, asbestos exclusion, and employment practices liability. Lessor, Lessor's managing agent, Lessor's Lender, and any other parties reasonably requested by Lessor shall be named additional insureds for ongoing and completed operations on a primary basis and non-contributory. Each such policy shall be written by a reputable and financially sound, duly licensed insurance company with an AM Best rating of at least A-. The minimum limits of liability of such insurance shall be $[***] for each such occurrence and in the aggregate. All such insurance coverage shall be written on an occurrence form, except for the products liability coverage which may be written on a claims-made form. Any claims-made coverage shall be in full force from lease commencement date and coverage will be maintained for a period of three (3) years after termination of this Lease and its obligations herein.

Lessee further agrees to maintain a Workers' Compensation and Employers' Liability Insurance policy. The limit of liability as respects Employers' Liability coverage shall be no less than $[***] per accident.

Except for Workers' Compensation and Employers' Liability coverage, Lessee agrees that Lessor and Lessor's managing agent shall be named as additional insureds on a primary and non-contributory basis. A duplicate original or a Certificate of Insurance evidencing the insurance requirements contained in the Lease shall be delivered to Lessor upon the execution of this Lease and then annually in advance of each policies renewal. Copies of additional insured endorsements, if required for coverage of additional insureds, also shall be delivered to Lessor. Lessor shall be given thirty (30) days advance written notice of any required insurance policy cancellation or non-renewals.

(b) **Carried by Lessor**. Lessor may, at Lessor's sole cost and expense, maintain liability insurance as described in Paragraph 8.2(a), in addition to, and not in lieu of, the insurance required to be maintained by Lessee. Lessee shall not be named as an additional insured therein.

8.3 **Property Insurance - Building, Improvements and Rental Value**.

(a) **Building and Improvements**. The Insuring Party shall obtain and keep in force a policy or policies in the name of Lessor, with loss payable to Lessor, any ground-lessor, and to any Lender insuring loss or damage to the Premises. The amount of such insurance shall be equal to the full insurable replacement cost of the

Premises, as the same shall exist from time to time, or the amount required by any Lender, but in no event more than the commercially reasonable and available insurable value thereof. Should Lessee so choose, Lessee Owned Alterations and Utility Installations, Trade Fixtures, and Lessee's personal property shall be insured by Lessee not by Lessor. If the coverage is available and commercially appropriate, such policy or policies shall insure against all risks of direct physical loss or damage, excluding the perils of flood and/or earthquake unless required by a Lender, and including coverage for debris removal and for demolition and increased cost of construction to comply with any Applicable Requirements ("***DICC Coverage***"), provided however that DICC Coverage may be subject to limits of no less than $[***] per occurrence. Said policy or policies shall also contain a waiver of subrogation. If such insurance coverage has a deductible clause, the deductible amount shall not exceed $[***] per occurrence for All Other Perils, and Lessee shall be liable for such deductible amount in the event of an Insured Loss.

(b) **Rental Value**. The Insuring Party shall obtain and keep in force a policy or policies in the name of Lessor with loss payable to Lessor and any Lender, insuring the loss of the full Rent for one year with an extended period of indemnity for an additional 180 days ("***Rental Value Insurance***"). The amount of coverage shall be adjusted annually to reflect the projected Rent otherwise payable by Lessee, for the next twelve (12) month period. Lessee shall be liable for any deductible amount in the event of such loss.

8.4 **Lessee's Property; Worker's Compensation Insurance**.

(a) **Property Damage**. Should Lessee so choose, Lessee may obtain and maintain insurance coverage on all of Lessee's personal property, Trade Fixtures, and Lessee Owned Alterations and Utility Installations. Such insurance shall be full replacement cost coverage with a deductible not to exceed $[***] per occurrence. The proceeds from any such insurance shall be used by Lessee for the replacement of personal property, Trade Fixtures and Lessee Owned Alterations and Utility Installations.

(b) **Worker's Compensation Insurance**. Lessee shall obtain and maintain a Worker's Compensation Insurance and Employers' Liability Insurance policy. The limit of liability as respects Employers' Liability coverage shall be no less than $[***] per accident. Such policy shall include a 'Waiver of Subrogation' endorsement. Lessee shall provide Lessor with a copy of such endorsement along with the certificate of insurance or copy of the policy required by paragraph 8.5.

(c) **No Representation of Adequate Coverage**. Lessor makes no representation that the limits or forms of coverage of insurance specified herein are adequate to cover Lessee's property, business operations or obligations under this Lease.

8.5 **Insurance Policies**. Insurance required herein shall be by companies maintaining during the policy term a "General Policyholders Rating" of at least A-, as set forth in the most current issue of "Best's Insurance Guide". Lessee shall not do or permit to be done anything which invalidates the required insurance policies. Lessee shall, prior to the Commencement Date, deliver to Lessor certificates evidencing the existence and amounts of the required insurance. Lessee shall, prior to the expiration of such policies, furnish Lessor with evidence of renewals, or Lessor may increase his liability insurance coverage and charge the cost thereof to Lessee, which amount shall be payable by Lessee to Lessor upon demand. Such policies shall be for a term of at least one year, or the length of the remaining term of this Lease, whichever is less. If either Party shall fail to procure and maintain the insurance required to be carried by it, the other Party may, but shall not be required to, procure and maintain the same.

8.6 **Waiver of Subrogation**. Without affecting any other rights or remedies, Lessee and Lessor each hereby release and relieve the other, and waive their entire right to recover damages against the other, for loss of or damage to its property arising out of or incident to the perils required to be insured against herein. The effect of such releases and waivers is not limited by the amount of insurance carried or required, or by any deductibles applicable hereto. The Parties agree to have their respective property damage insurance carriers waive any right to subrogation that such companies may have against Lessor or Lessee, as the case may be, so long as the insurance is not invalidated thereby.

8.7 **Indemnity**. Except for Lessor's gross negligence or willful misconduct, Lessee shall indemnify, protect, defend and hold harmless the Premises, Lessor and its agents, Lessor's master or ground lessor, partners and

Lenders, from and against any and all claims, loss of rents and/or damages, liens, judgments, penalties, attorneys' and consultants' fees, expenses and/or liabilities arising out of, involving, or in connection with, a Breach of the Lease by Lessee and/or the use and/or occupancy of the Premises by Lessee and/or by Lessee's employees, contractors or invitees. If any action or proceeding is brought against Lessor by reason of any of the foregoing matters, Lessee shall upon notice defend the same at Lessee's expense by counsel reasonably satisfactory to Lessor and Lessor shall cooperate with Lessee in such defense. Lessor need not have first paid any such claim in order to be defended or indemnified. Lessor shall indemnify, protect, defend and hold Lessee, and any of Lessee's affiliates, subsidiaries, parent companies, and any of their officers, directors, employees, and agents, harmless against any and all Claims arising out of or related to Lessor's gross negligence or willful misconduct.

8.8 **Exemption of Lessor and its Agents from Liability**. Notwithstanding the gross negligence or breach of this Lease by Lessor or its agents, neither Lessor nor its agents shall be liable under any circumstances for: (i) injury or damage to the person or goods, wares, merchandise or other property of Lessee, Lessee's employees, contractors, invitees, customers, or any other person in or about the Premises, whether such damage or injury is caused by or results from fire, steam, electricity, gas, water or rain, indoor air quality, the presence of mold or from the breakage, leakage, obstruction or other defects of pipes, fire sprinklers, wires, appliances, plumbing, HVAC or lighting fixtures, or from any other cause, whether the said injury or damage results from conditions arising upon the Premises or upon other portions of the building of which the Premises are a part, or from other sources or places, (ii) any damages arising from any act or neglect of any other tenant of Lessor or from the failure of Lessor or its agents to enforce the provisions of any other lease, or (iii) injury to Lessee's business or for any loss of income or profit therefrom. Instead, it is intended that Lessee's sole recourse in the event of such damages or injury be to file a claim on the insurance policy(ies) that Lessee is required to maintain pursuant to the provisions of paragraph 8.

8.9 **Failure to Provide Insurance**. If Lessee does not maintain the required insurance during the Term and/or does not provide Lessor with the required binders or certificates evidencing the existence of the required insurance, then, after ten (10) days' prior written notice, Lessor may obtain insurance policies sufficient to meet the requirements herein, Lessee shall pay to Lessor an amount equal to one hundred percent (100%) of the actual costs and expenses of such policies incurred by Lessor upon receipt of an invoice therefor. Lessor obtaining such policies shall in no event constitute a waiver of Lessee's Event of Default with respect to the failure to maintain such insurance, prevent the exercise of any of the other rights and remedies granted hereunder, nor relieve Lessee of its obligation to maintain the insurance specified in this Lease.

9. **Damage or Destruction.**

9.1 **Restoration Following Destruction.**

If any portion of the Premises or any appurtenance thereto shall be damaged or destroyed by fire or other casualty, then, whether or not such damage or destruction shall have been insured, Lessee shall give prompt written notice thereof to Lessor and shall proceed with reasonable diligence to repair or rebuild the same at its sole cost and expense or to replace the same with improvements of no lesser quality or value. To the extent such casualty is covered by the casualty insurance required by the provisions of Paragraph 8.3, Lessee shall not be required to commence restoration until such time as it shall have received insurance proceeds for such fire or other casualty and in any case until it has received all necessary permits.

Any repair or rebuilding following either a total or a partial destruction shall be performed pursuant to Paragraph 9.3, and, if there are insurance proceeds resulting from such damage or destruction and Lessee is in the process of repairing and restoring as provided in this Paragraph and in said Paragraph 9.3, then except as provided in said Paragraph 9.3 such proceeds shall be deposited with a bank or trust company pursuant to Paragraph 9.5 (the "***Depository***") and disbursed in the manner as provided in this Lease. If at any time Lessee shall fail to prosecute such work of repair or rebuilding with diligence and promptness, then Lessor may give to Lessee written notice of such failure and if such failure continues for sixty (60) days thereafter, then Lessor, in addition to all other rights which it may have, may enter upon the Premises, provide labor and/or materials, cause the performance of any contract and/or take such other action as it may deem advisable to prosecute such work. Lessor shall be entitled to reimbursement for its costs and expenses from any insurance proceeds and any other moneys held by the Depository for application to the cost of such work. All reasonable costs and expenses incurred by Lessor in carrying out such

work for which it is not reimbursed by the Depository shall be paid by Lessee upon demand, which demand may be made by Lessor periodically as such costs and expenses are incurred, in addition to any damages to which Lessor may be entitled hereunder.

All insurance proceeds in excess of $[***] shall be paid to the Depository.

9.2 **Lessee Obligations Following Destruction**.

Rent shall not abate because of any damage to or destruction of the Premises, or to the appurtenances thereto. Lessee shall continue to perform all of its obligations hereunder, notwithstanding any such damage or destruction.

Any rent insurance proceeds received by the Depository by reason of such damage or destruction shall be applied by it to the payment of the Rent and to premiums for any insurance required to be maintained by Lessee under this Lease. However, such payment shall not relieve Lessee of its obligations to pay punctually all such rents, real estate taxes and insurance premiums should rent insurance proceeds held by the Depository be insufficient to pay the same or if for any reason such rent insurance proceeds are not actually applied by a Depository to the payment of such amounts. All rent insurance proceeds and any balance of any insurance proceeds in excess of amounts utilized for repairs and/or rebuilding (where the damage has been fully repaired or restored) shall be paid to Lessee provided Lessee is not then in monetary default hereunder. In the event that there shall be excess insurance proceeds by reason of the fact that Lessee is precluded from making repairs and/or rebuilding by reason of operation of law (such as zoning changes, etc.) any such excess insurance proceeds shall be paid promptly to Lessor.

9.3 **Restoration after Fire or Condemnation**

Whenever Lessee shall be required to carry out any restoration or repair, Lessee, prior to the commencement of such work, shall comply with the following requirements if such work has a cost in excess of $[***] as determined by an independent architect or contractor selected by Lessee whose report is furnished to Lessor and any lender. If Lessee fails to have such a report promptly prepared then it shall be deemed that such work has a cost in excess of $[***].

1. Lessee shall furnish to Lessor complete plans and specifications for such work.

2. Lessee shall furnish to Lessor a budget for such work setting forth Lessee's good faith estimate of the cost of completion of such work. Such budget shall be updated periodically upon request of Lessor.

3. Lessee, at its sole cost, shall at Lessor's requests furnish to Lessor certified or photostatic copies of all permits and approvals required by law, regulation or ordinance in connection with the commencement and conduct of such work.

4. If the amount of fire insurance proceeds held by the Depository to be applied to pay for the cost of such work pursuant to this Paragraph shall be less than the Lessee's estimate of the cost of completion of such work, then Lessee shall deposit with the Depository an additional sum so that the Depository shall have at all times an amount equal to the estimate of cost of completion of such work.

5. The Depository shall not be required to make disbursements to Lessee more often than at thirty (30) day intervals or in interim amounts of less than [***] Dollars ($[***]), except for the final disbursement. Lessee shall make written request for each disbursement at least seven (7) days in advance, and shall comply with the following requirements in connection with each such disbursement:

A. Lessee shall deliver to the Depository, at the time of request for a disbursement, a certificate (the "***Certificate***") of an independent architect reasonably satisfactory to Lessor (the "***Architect***"), dated not more than ten (10) days prior to the application for withdrawal of funds and accompanied by such invoices, receipts, contracts or other evidence of the amount requested, setting-forth the following:

(i) That the sum then requested to be withdrawn either has been paid by Lessee, or is justly due to persons (whose names and addresses shall be stated) who have furnished services or materials for the work and giving a brief description of such services and materials and stating the progress of the work up to the date of said certificate;

(ii) That the sum then requested to be withdrawn, plus all sums previously withdrawn, does not exceed the cost of the work insofar as actually accomplished up to the date of such certificate, less any contractor holdbacks;

(iii) That all prior disbursements under this Paragraph have been expended solely in payment of costs for the work actually incurred;

(iv) That the remainder of the moneys held by the Depository will be sufficient to pay for the completion of the work in accordance with the estimate thereof.

(v) That no part of the cost of the services and materials described in the foregoing paragraph (i) is being made on the basis of the withdrawal of any funds in any previous or pending application; and

(vi) That, except for the amount requested, there is no outstanding indebtedness known, after due inquiry, in connection with the work which, if unpaid, might become the basis of a mechanic's or other similar lien upon the Premises, unless Lessor is contesting such indebtedness in good faith and agrees to discharge (by bonding or otherwise) any lien once filed.

B. Lessee shall deliver to the Depository satisfactory evidence that the Premises and all materials and all property described in the Certificate are free and clear of all liens, or encumbrances, except (a) liens or encumbrances encumbering the Premises as of the date of this Lease, (b) this Lease and any mortgages made by Lessor and (c) liens for taxes and other charges payable by Lessee which are not delinquent or the payment of which has been deferred by Lessee in full compliance with this Lease. The Depository shall receive a certificate of a title insurance company acceptable to Lessor, dated as of the date of the disbursement confirming the foregoing.

C. Lessee shall deliver to the Depository a survey of the Premises dated as of a date within ten (10) days prior to the advance, showing no encroachments or extensions over set-back lines. Surveys need not be so updated, however, if a foundation survey is provided and the work being performed does not touch or extend beyond the perimeter of the building on the Premises and would not affect any facts shown on an existing survey thereof.

D. There shall be no default by Lessee under the terms of this Lease. At the time of each disbursement, Lessor shall deliver to the Depository a certificate signed by Lessee, certifying to the fulfillment of the conditions of this clause. The Depository may rely on said certificate as being accurate unless, prior to the disbursement then being made, the Depository (where other than Lessor) shall have received a written notice from Lessor, referring to this clause, containing statements contrary to those set forth in said certificate.

Lessor shall receive a copy of each item required to be delivered to Depository hereunder concurrently with delivery to the Depository.

Upon compliance with the foregoing, the Depository shall pay to the persons named in the Certificate, the respective amounts stated in said Certificate to have been paid by it. Lessor shall have the right, from time to time, to inspect the restoration work. If, after all of said work shall be completed in accordance with the terms of this Lease, Lessee shall not be in default thereunder and all governmental approvals required shall have been obtained, there are funds held by the Depository for application to the cost of such work in excess of the amounts withdrawn, then such funds shall be paid out by the Depository as provided herein.

9.4 **Completion by Lessor**.

If, after a default by Lessee, Lessor shall perform any of such work, then Lessor may withdraw funds held by the Depository for application to the cost thereof. In withdrawing such funds Lessor need not comply with any of the preceding requirements, but must only comply with the requirements hereafter set forth. Such withdrawals shall be made not more often than at thirty (30) day intervals. At the time of each withdrawal request Lessor shall deliver to the Depository, a certificate from either the Architect or other architect selected by Lessor stating that the sum then requested to be withdrawn either has been paid by Lessor, and/or is justly due, to contractors, subcontractors, materialmen, engineers, architects or to other persons (whose names and addresses shall be stated) who have rendered or furnished services or materials for the work, and giving a brief description of such services and materials and the respective amounts so paid or due to each of said persons in respect thereof. Such certificate shall also state that no part of the cost of the services or materials described therein has been or is the basis of a withdrawal of funds in any previous or pending application.

9.5 **Depository**.

In any instance when a Depository is to serve, such Depository shall be selected by Lessor within ten (10) days after written notice by Lessee. The Depository so selected shall be a bank(s) or trust company(ies) authorized to do business in the State of Illinois and having a net worth of $1,000,000,000 or more. Upon the selection of such Depository, Lessor shall give to Lessee written notice thereof. If Lessor shall not select a Depository within ten (10) business days after notice from Lessee, then Lessee may select such Depository, which shall be a bank or trust company or escrow company authorized to do business in the State of Illinois.

Before paying out any moneys pursuant to this Lease, the Depository may retain free of trust its reasonable fees and expenses for acting as Depository. In the event there are not sufficient funds held by the Depository to pay its fees and expenses, Lessee shall pay all such fees and expenses.

The Depository shall be obligated to pay interest at competitive rates on any funds held by it. Any interest paid or received on the funds held in trust by it shall be accumulated with such funds. The Depository shall have no affirmative obligation to ascertain a determination of the amount of, or to effect the collection of, any insurance proceeds or condemnation awards(s), unless it shall have given an express undertaking to do so.

No contractor or any other person whatsoever, other than Lessor, Lessee and any Lender shall have any interest in or rights to any funds held by the Depository.

The Depository shall not commingle its own funds with funds received pursuant to any of the provisions of this Lease but shall hold such funds in trust for the purposes provided in this Lease. The Depository shall not be liable or accountable for any action taken or suffered by it or for any disbursement of funds made in good faith. If Lessor, Lessee and any Lender shall jointly instruct the Depository with regard to the disbursement of any funds held by it, then it shall disburse said funds in accordance with such instructions, and shall not be liable to anyone for having so disbursed said funds in accordance with such instructions.

10. **Real Property Taxes.**

10.1 **Definition**. As used herein, the term "**Real Property Taxes**" shall include any form of assessment; real estate, general, special, ordinary or extraordinary, or rental levy or tax (other than inheritance, personal income or estate taxes); improvement bond; and/or license fee imposed upon or levied against any legal or equitable interest of Lessor in the Premises, Lessor's right to other income therefrom, and/or Lessor's business of leasing, by any authority having the direct or indirect power to tax and where the funds are generated with reference to the Premises address. Real Property Taxes shall also include any tax, fee, levy, assessment or charge, or any increase therein: (i) imposed by reason of events occurring during the term of this Lease, including but not limited to, a change in the ownership of the Premises, and (ii) levied or assessed on machinery or equipment provided by Lessor to Lessee pursuant to this Lease and (iii) any special tax on rents, and any special taxes relative to the Agreed Use.

10.2 **Payment of Taxes**. In addition to Base Rent, Lessee shall pay to Lessor an amount equal to the Real Property Tax payment due at least twenty (20) days prior to the applicable delinquency date. If any such payment shall cover any period of time prior to the commencement or after the expiration or termination of this Lease, Lessee's share of such installment shall be prorated. Lessor may estimate the current Real Property Taxes, and require that such taxes be paid in advance to Lessor by Lessee monthly in advance with the payment of the Base Rent. Such monthly payments shall be an amount equal to the amount of the estimated installment of taxes divided by the number of months remaining before the month in which said installment becomes delinquent. When the actual amount of the applicable tax bill is known, the amount of such equal monthly advance payments shall be adjusted as required to provide the funds needed to pay the applicable taxes. If the amount collected by Lessor is insufficient to pay such Real Property Taxes when due, Lessee shall pay Lessor, upon demand, such additional sum as is necessary. If the amount collected by Lessor is more than the Real Property Taxes due, Lessor shall credit such additional amount to the next installment(s) of Base Rent due. Advance payments may be intermingled with other moneys of Lessor and shall not bear interest. If requested by Lessor, Lessee shall pay the Real Property Taxes directly to the taxing authority.

10.3 **Personal Property Taxes**. Lessee shall pay, prior to delinquency, all taxes assessed against and levied upon Lessee Owned Alterations, Utility Installations, Trade Fixtures, furnishings, equipment and all personal property of Lessee. When possible, Lessee shall cause its Lessee Owned Alterations and Utility Installations, Trade Fixtures, furnishings, equipment and all other personal property to be assessed and billed separately from the real property of Lessor. If any of Lessee's said property shall be assessed with Lessor's real property, Lessee shall pay Lessor the taxes attributable to Lessee's property within ten (10) days after receipt of a written statement setting forth the taxes applicable to Lessee's property.

11. **Utilities and Services**. Lessee shall pay for all water, gas, heat, light, power, telephone, trash disposal and other utilities and services supplied to the Premises, together with any taxes thereon. If any such services are not separately metered or billed to Lessee, Lessee shall pay a reasonable proportion, to be determined by Lessor, of all charges jointly metered or billed. There shall be no abatement of rent and Lessor shall not be liable in any respect whatsoever for the inadequacy, stoppage, interruption or discontinuance of any utility or service due to riot, strike, labor dispute, breakdown, accident, repair or other cause if beyond Lessor's reasonable control or in cooperation with governmental request or directions. Lessee hereby waives the provisions of any applicable existing or future law, ordinance or governmental regulation permitting the termination of this Lease due to an interruption, failure or inability to provide any services.

12. **Assignment and Subletting.**

12.1 Notwithstanding any other provisions of this Lease, Lessee covenants and agrees that it will not assign this Lease or sublet (which term, without limitation, shall include the granting of concessions, management arrangements and the like) the whole or any part of the Premises without, in each instance, having first received the express written consent of Lessor, which Lessor may withhold in its sole discretion except as expressly provided in this Paragraph 12.1. Lessor's consent to any proposed assignment of this Lease or subletting of all but not less than all of the Premises, shall not be unreasonably withheld, conditioned or delayed, provided that (i) any such assignee or sublessee (or an affiliated entity or parent company thereof) demonstrates the financial capacity to carry out all of the obligations under this Lease or the sublease, as the case may be, (ii) the assignee or sublessee has a business reputation that will not detract from the image of the Building and (iii) in the case of an assignment, the proposed assignee has a tangible net worth reasonably sufficient in Lessor's reasonable judgment to fully perform the obligations of Lessee under this Lease then remaining to be performed or in the case of a sublease, the proposed subtenant (or an affiliated entity or parent company thereof) has a financial net worth reasonably sufficient in Lessor's reasonable judgment to fully perform those obligations of Lessee under this Lease to be performed by the subtenant under the proposed sublease. Any assignment of this Lease or subletting of the whole or any part of the Premises (other than as permitted to an Affiliate of Lessee as set forth below) by Lessee without Lessor's express consent shall be invalid, void and of no force or effect. In any case where Lessor shall consent to such subletting, the Lessee named herein shall remain fully liable for the obligations of Lessee hereunder, including, without limitation, the obligation to pay the Rent and other amounts provided under this Lease. Any such request shall set forth, in detail reasonably satisfactory to Lessor, the identification of the proposed assignee or sublessee, its financial condition and the terms on which the proposed assignment or subletting is to be made, including, without limitation,

the Rent or any other consideration to be paid in respect thereto and such request shall be treated as Lessee's warranty in respect of the terms on which the proposed transfer is to be made.

It shall be a condition of the validity of any such assignment or subletting that the assignee or sublessee agrees directly with Lessor, in form satisfactory to Lessor, to be bound by all the obligations of Lessee hereunder, including, without limitation, the obligation to pay Base Rent and other amounts provided for under this Lease and the covenant against further assignment and subletting except in compliance with the terms of this Lease; any such subletting shall not relieve the Lessee named herein of any of the obligations of Lessee hereunder, and Lessee shall remain fully liable therefor. In no event, however, shall Lessee assign this Lease or sublet the whole or any part of the Premises to a proposed assignee or sublessee which has been judicially declared bankrupt or insolvent according to law, or with respect to which an assignment has been made of property for the benefit of creditors, or with respect to which a receiver, guardian, conservator, trustee in involuntary bankruptcy or similar officer has been appointed to take charge of all or any substantial part of the proposed assignee's or sublessee's property by a court of competent jurisdiction, or with respect to which a petition has been filed for reorganization under any provisions of the Bankruptcy Code now or hereafter enacted, or if a proposed assignee or sublessee has filed a petition for such reorganization, or for arrangements under any provisions of the Bankruptcy Code now or hereafter enacted and providing a plan for a debtor to settle, satisfy or extend the time for the payment of debts.

For the purposes of this Lease, the entering into of any management agreement or any agreement in the nature thereof transferring control or any substantial percentage of the profits and losses from the business operations of the Lessee in the Premises to a person or entity other than the Lessee (or an affiliate, subsidiary, or parent company of Lessee), or otherwise having substantially the same effect, shall be treated for all purposes as an assignment of this Lease and shall be governed by the provisions of this Paragraph 12.

Without limiting Lessor's discretion to grant or withhold its consent to any proposed assignment or subletting, if Lessee notifies Lessor in writing of Lessee's intent to assign this Lease or sublet the entire Premises, except in the case of a Permitted Transfer (as defined below), Lessor shall have the option, exercisable by written notice to Lessee given within thirty (30) days after Lessor's receipt of such notice of intent to assign or sublease, to terminate this Lease as of the date specified in Lessee's request.

Notwithstanding any contrary provisions herein, Lessor's consent shall not be required for an assignment or subletting to an Affiliate of Lessee, and for the purposes hereof, an "**Affiliate of Lessee**" shall mean (x) an entity which controls, is controlled by or under common control with Lessee, (y) a successor corporation related to Lessee by merger, consolidation, non-bankruptcy reorganization, or government action, or (z) a purchaser of substantially all of Lessee's assets at the Premises or stock; provided, however, that in the case of any assignment to an Affiliate of Lessee, the Affiliate shall agree directly with Lessor to be bound by all of the obligations of the Lessee under this Lease. Further, any person or entity owning directly or indirectly, a majority of either the outstanding voting rights or the outstanding ownership interests of Lessee, may assign or otherwise transfer such interests to another person or entity, provided that, in all instances, the combined net worth of the Lessee shall continue to have a net worth following consummation of such transaction that is at least equal to the net worth of Lessee as of the date of the assignment. In the avoidance of doubt, it is agreed that no assignment of this Lease, whether with or without the Lessor's consent, and no subletting of all or any portion of the Premises, again with or without the Lessor's consent, shall act to relieve the Lessee of its obligations under this Lease or release the Guarantor of its obligations under its guaranty. Any assignment or subletting pursuant to this paragraph shall be a "**Permitted Transfer**".

(a) An assignment or subletting without consent, other than a Permitted Transfer, shall, at Lessor's option, be a Default curable after notice per Paragraph 13.1(d), or a noncurable Breach without the necessity of any notice and grace period. If Lessor elects to treat such unapproved assignment or subletting as a noncurable Breach, Lessor may either: (i) terminate this Lease, or (ii) upon thirty (30) days written notice, increase the monthly Base Rent to [***]% of the Base Rent then in effect. Further, in the event of such Breach and rental adjustment, all fixed and non-fixed rental adjustments scheduled during the remainder of the Lease term shall be increased to [***]% of the scheduled adjusted rent.

(b) Lessee's remedy for any breach of Paragraph 12.1 by Lessor shall be limited to compensatory damages and/or injunctive relief.

(c) Lessor may reasonably withhold consent to a proposed assignment or subletting if Lessee is in Breach or Default at the time consent is requested.

(d) Notwithstanding the foregoing, allowing a de minimis portion of the Premises, i.e. 20 square feet or less, to be used by a third party vendor in connection with the installation of a vending machine or payphone shall not constitute a subletting.

12.2 **Terms and Conditions Applicable to Assignment and Subletting**.

(a) Regardless of Lessor's consent, no assignment or subletting shall: (i) be effective without the express written assumption by such assignee or sublessee of the obligations of Lessee under this Lease, (ii) release Lessee of any obligations hereunder, or (iii) alter the primary liability of Lessee for the payment of Rent or for the performance of any other obligations to be performed by Lessee.

(b) Lessor may accept Rent or performance of Lessee's obligations from any person other than Lessee pending approval or disapproval of an assignment. Neither a delay in the approval or disapproval of such assignment nor the acceptance of Rent or performance shall constitute a waiver or estoppel of Lessor's right to exercise its remedies for Lessee's Default or Breach.

(c) Lessor's consent to any assignment or subletting shall not constitute a consent to any subsequent assignment or subletting.

(d) In the event of any Default or Breach by Lessee, Lessor may proceed directly against Lessee, any Guarantors or anyone else responsible for the performance of Lessee's obligations under this Lease, including any assignee or sublessee, without first exhausting Lessor's remedies against any other person or entity responsible therefor to Lessor, or any security held by Lessor.

(e) Each request for consent to an assignment or subletting shall be in writing, accompanied by information relevant to Lessor's determination as to the financial and operational responsibility and appropriateness of the proposed assignee or sublessee, including but not limited to the intended use and/or required modification of the Premises, if any, together with a fee of $1000 as consideration for Lessor's considering and processing said request. Lessee agrees to provide Lessor with such other or additional information and/or documentation as may be reasonably requested. (See also Paragraph 34)

(f) Any assignee of, or sublessee under, this Lease shall, by reason of accepting such assignment, entering into such sublease, or entering into possession of the Premises or any portion thereof, be deemed to have assumed and agreed to conform and comply with each and every term, covenant, condition and obligation herein to be observed or performed by Lessee during the term of said assignment or sublease, other than such obligations as are contrary to or inconsistent with provisions of an assignment or sublease to which Lessor has specifically consented to in writing.

(g) Lessor's consent to any assignment or subletting shall not transfer to the assignee or sublessee any Option granted to the original Lessee by this Lease unless such transfer is specifically consented to by Lessor in writing, provided however the foregoing shall not apply to any Permitted Transfer. (See Paragraph 37.2)

12.3 **Additional Terms and Conditions Applicable to Subletting**. The following terms and conditions shall apply to any subletting by Lessee of all or any part of the Premises and shall be deemed included in all subleases under this Lease whether or not expressly incorporated therein:

(a) Lessee hereby assigns and transfers to Lessor all of Lessee's interest in all Rent payable on any sublease, and Lessor may collect such Rent and apply same toward Lessee's obligations under this Lease; provided, however, that until a Breach shall occur in the performance of Lessee's obligations, Lessee may collect said Rent. In the event that the amount collected by Lessor exceeds Lessee's then outstanding obligations any such excess shall be refunded to Lessee. Lessor shall not, by reason of the foregoing or any assignment of such sublease, nor by reason of the collection of Rent, be deemed liable to the sublessee for any failure of Lessee to perform and comply with any of Lessee's obligations to such sublessee. Lessee hereby irrevocably authorizes and directs any such sublessee, upon

receipt of a written notice from Lessor stating that a Breach exists in the performance of Lessee's obligations under this Lease, to pay to Lessor all Rent due and to become due under the sublease. Sublessee shall rely upon any such notice from Lessor and shall pay all Rents to Lessor without any obligation or right to inquire as to whether such Breach exists, notwithstanding any claim from Lessee to the contrary.

(b) In the event of a Breach by Lessee, Lessor may, at its option, require sublessee to attorn to Lessor, in which event Lessor shall undertake the obligations of the sublessor under such sublease from the time of the exercise of said option to the expiration of such sublease; provided, however, Lessor shall not be liable for any prepaid rents or security deposit paid by such sublessee to such sublessor or for any prior Defaults or Breaches of such sublessor.

(c) Any matter requiring the consent of the sublessor under a sublease shall also require the consent of Lessor.

(d) No sublessee shall further assign or sublet all or any part of the Premises without Lessor's prior written consent.

(e) Lessor shall deliver a copy of any notice of Default or Breach by Lessee to the sublessee, who shall have the right to cure the Default of Lessee within the grace period, if any, specified in such notice. The sublessee shall have a right of reimbursement and offset from and against Lessee for any such Defaults cured by the sublessee.

13. **Default; Breach; Remedies.**

13.1 **Default; Breach**. A "**Default**" is defined as a failure by the Lessee to comply with or perform any of the terms, covenants, conditions or Rules and Regulations under this Lease. A "Breach" is defined as the occurrence of one or more of the following Defaults, and the failure of Lessee to cure such Default within any applicable grace period:

(a) The abandonment of the Premises; or the vacating of the Premises without providing a commercially reasonable level of security, or where the coverage of the property insurance described in Paragraph 8.3 is jeopardized as a result thereof, or without providing reasonable assurances to minimize potential vandalism.

(b) The failure of Lessee to make any payment of Rent or any Security Deposit required to be made by Lessee hereunder, whether to Lessor or to a third party, when due, to provide reasonable evidence of insurance or surety bond, or to fulfill any obligation under this Lease which endangers or threatens life or property, where such failure continues for a period of 3 business days following written notice to Lessee. THE ACCEPTANCE BY LESSOR OF A PARTIAL PAYMENT OF RENT OR SECURITY DEPOSIT SHALL NOT CONSTITUTE A WAIVER OF ANY OF LESSOR'S RIGHTS, INCLUDING LESSOR'S RIGHT TO RECOVER POSSESSION OF THE PREMISES.

(c) The failure of Lessee to allow Lessor and/or its agents access to the Premises or the commission of waste, act or acts constituting public or private nuisance, and/or an illegal activity on the Premises by Lessee, subject to Paragraph 51, where such actions continue for a period of 3 business days following written notice to Lessee. In the event that Lessee commits waste, a nuisance or an illegal activity a second time then, subject to Paragraph 51, the Lessor may elect to treat such conduct as a non-curable Breach rather than a Default.

(d) The failure by Lessee to provide (i) reasonable written evidence of compliance with Applicable Requirements, (ii) the service contracts, (iii) the rescission of an unauthorized assignment or subletting, (iv) an Estoppel Certificate or financial statements, (v) a requested subordination, (vi) evidence concerning any guaranty and/or Guarantor, (vii) any document requested under Paragraph 42, (viii) material safety data sheets (MSDS), or (ix) any other documentation or information which Lessor may reasonably require of Lessee under the terms of this Lease, where any such failure continues for a period of 10 days following written notice to Lessee.

(e) A Default by Lessee as to the terms, covenants, conditions or provisions of this Lease, or of the rules adopted under Paragraph 40 hereof, other than those described in subparagraphs 13.1(a), (b), (c) or (d), above,

where such Default continues for a period of thirty (30) days after written notice; provided, however, that if the nature of Lessee's Default is such that more than thirty (30) days are reasonably required for its cure, then it shall not be deemed to be a Breach if Lessee commences such cure within said thirty (30) day period and thereafter diligently prosecutes such cure to completion.

(f) The occurrence of any of the following events: (i) the making of any general arrangement or assignment for the benefit of creditors; (ii) becoming a "debtor" as defined in 11 U.S.C. § 101 or any successor statute thereto (unless, in the case of a petition filed against Lessee, the same is dismissed within sixty (60) days); (iii) the appointment of a trustee or receiver to take possession of substantially all of Lessee's assets located at the Premises or of Lessee's interest in this Lease, where possession is not restored to Lessee within thirty (30) days; or (iv) the attachment, execution or other judicial seizure of substantially all of Lessee's assets located at the Premises or of Lessee's interest in this Lease, where such seizure is not discharged within thirty (30) days; provided, however, in the event that any provision of this subparagraph is contrary to any applicable law, such provision shall be of no force or effect, and not affect the validity of the remaining provisions.

(g) The discovery that any financial statement of Lessee or of any Guarantor given to Lessor was materially false.

(h) If the performance of Lessee's obligations under this Lease is guaranteed: (i) the death of a Guarantor, (ii) the termination of a Guarantor's liability with respect to this Lease other than in accordance with the terms of such guaranty, (iii) a Guarantor's becoming insolvent or the subject of a bankruptcy filing, (iv) a Guarantor's refusal to honor the guaranty, or (v) a Guarantor's breach of its guaranty obligation on an anticipatory basis, and Lessee's failure, within sixty (60) days following written notice of any such event, to provide written alternative assurance or security, which, when coupled with the then existing resources of Lessee, equals or exceeds the combined financial resources of Lessee and the Guarantors that existed at the time of execution of this Lease.

13.2 **Remedies**. If Lessee fails to perform any of its affirmative duties or obligations, within thirty (30) days after written notice (or in case of an emergency, without notice), Lessor may, at its option, perform such duty or obligation on Lessee's behalf, including but not limited to the obtaining of reasonably required bonds, insurance policies, or governmental licenses, permits or approvals. Lessee shall pay to Lessor an amount equal to [***]% of the costs and expenses incurred by Lessor in such performance upon receipt of an invoice therefor. In the event of a Breach, Lessor may, with or without further notice or demand, and without limiting Lessor in the exercise of any right or remedy which Lessor may have by reason of such Breach:

(a) Terminate Lessee's right to possession of the Premises by any lawful means, in which case this Lease shall terminate and Lessee shall immediately surrender possession to Lessor. In such event Lessor shall be entitled to recover from Lessee: (i) the unpaid Rent which had been earned at the time of termination; (ii) the worth at the time of award of the amount by which the unpaid rent which would have been earned after termination until the time of award exceeds the amount of such rental loss that the Lessee proves could have been reasonably avoided; (iii) the worth at the time of award of the amount by which the unpaid rent for the balance of the term after the time of award exceeds the amount of such rental loss that the Lessee proves could be reasonably avoided; and (iv) any other amount necessary to compensate Lessor for all the detriment proximately caused by the Lessee's failure to perform its obligations under this Lease or which in the ordinary course of things would be likely to result therefrom, including but not limited to the cost of recovering possession of the Premises, expenses of reletting, including necessary renovation and alteration of the Premises, reasonable attorneys' fees, and that portion of any leasing commission paid by Lessor in connection with this Lease applicable to the unexpired term of this Lease. The worth at the time of award of the amount referred to in provision (iii) of the immediately preceding sentence shall be computed by discounting such amount at the discount rate of the Federal Reserve Bank of the District within which the Premises are located at the time of award plus one percent. Efforts by Lessor to mitigate damages caused by Lessee's Breach of this Lease shall not waive Lessor's right to recover any damages to which Lessor is otherwise entitled. If termination of this Lease is obtained through the provisional remedy of unlawful detainer, Lessor shall have the right to recover in such proceeding any unpaid Rent and damages as are recoverable therein, or Lessor may reserve the right to recover all or any part thereof in a separate suit. If a notice and grace period required under Paragraph 13.1 was not previously given, a notice to pay rent or quit, or to perform or quit given to Lessee under the unlawful detainer statute shall also constitute the notice required by Paragraph 13.1. In such case, the

applicable grace period required by Paragraph 13.1 and the unlawful detainer statute shall run concurrently, and the failure of Lessee to cure the Default within the greater of the two such grace periods shall constitute both an unlawful detainer and a Breach of this Lease entitling Lessor to the remedies provided for in this Lease and/or by said statute.

(b) Continue the Lease and Lessee's right to possession and recover the Rent as it becomes due, in which event Lessee may sublet or assign, subject only to reasonable limitations. Lessee acknowledges that the limitations on subletting and assignment set forth in Paragraph 12 herein are reasonable. Acts of maintenance, efforts to relet, and/or the appointment of a receiver to protect the Lessor's interests, shall not constitute a termination of the Lessee's right to possession.

(c) Pursue any other remedy now or hereafter available under the laws or judicial decisions of the state wherein the Premises are located. The expiration or termination of this Lease and/or the termination of Lessee's right to possession shall not relieve Lessee from liability under any indemnity provisions of this Lease as to matters occurring or accruing during the term hereof or by reason of Lessee's occupancy of the Premises.

(d) Lessee waives any right of redemption or relief from forfeiture under any other present or future law in the event Lessee is evicted and Lessor takes possession of the Property by reason of a default.

13.3 **Late Charges**. Lessee hereby acknowledges that late payment by Lessee of Rent will cause Lessor to incur costs not contemplated by this Lease, the exact amount of which will be extremely difficult to ascertain. Such costs include, but are not limited to, processing and accounting charges, and late charges which may be imposed upon Lessor by any Lender. Accordingly, if any Rent shall not be received by Lessor within five (5) days after such amount shall be due, then, without any requirement for notice to Lessee, Lessee shall immediately pay to Lessor a one-time late charge equal to [***]% of each such overdue amount or $100, whichever is greater. The Parties hereby agree that such late charge represents a fair and reasonable estimate of the costs Lessor will incur by reason of such late payment. Acceptance of such late charge by Lessor shall in no event constitute a waiver of Lessee's Default or Breach with respect to such overdue amount, nor prevent the exercise of any of the other rights and remedies granted hereunder. In the event that a late charge is payable hereunder, whether or not collected, for 3 consecutive installments of Base Rent, then notwithstanding any provision of this Lease to the contrary, Base Rent shall, at Lessor's option, become due and payable quarterly in advance.

13.4 **Interest**. Any monetary payment due Lessor hereunder, other than late charges, not received by Lessor, when due shall bear interest from the 31st day after it was due. The interest ("***Interest***") charged shall be computed at the rate of [***]% per annum but shall not exceed the maximum rate allowed by law. Interest is payable in addition to the potential late charge provided for in Paragraph 13.3.

13.5 **Breach by Lessor**. Lessor shall not be deemed in breach of this Lease unless Lessor fails within a reasonable time to perform an obligation required to be performed by Lessor. For purposes of this Paragraph, a reasonable time shall in no event be more less than thirty (30) days after receipt by Lessor, and any Lender whose name and address shall have been furnished to Lessee in writing for such purpose, of written notice specifying wherein such obligation of Lessor has not been performed; provided, however, that if the nature of Lessor's obligation is such that more than thirty (30) days are reasonably required for its performance, then Lessor shall not be in breach if performance is commenced within such thirty (30) day period and thereafter diligently pursued to completion. In no event shall Lessor be liable for punitive, consequential, special or indirect damages or loss of profits or the like.

14. **Condemnation**. If the Premises or any portion thereof are taken under the power of eminent domain or sold under the threat of the exercise of said power (collectively "***Condemnation***"), this Lease shall terminate as to the part taken as of the date the condemning authority takes title or possession, whichever first occurs. Condemnation awards and/or payments shall be the property of Lessor, whether such award shall be made as compensation for diminution in value of the leasehold, the value of the part taken, or for severance damages; provided, however, that Lessee shall be entitled to any compensation paid by the condemnor for Lessee's relocation expenses, loss of business goodwill and/or Trade Fixtures, without regard to whether or not this Lease is terminated pursuant to the provisions of this Paragraph, provided that no separate award to Lessee shall reduce Lessor's award.

In the event that this Lease is not terminated by reason of the Condemnation, Lessor shall repair any damage to the Premises caused by such Condemnation, but shall not be obligated to expend more than the award in such restoration. Further, if any substantial part of the Premises are taken or condemned, Lessee may, at its option, terminate this Lease as of the date the condemning authority takes title or possession, whichever first occurs. For purposes of the preceding sentence a "substantial part of the Premises" shall mean (i) 20% or more of the total floor area of the Premises or (ii) any portion of the Premises, the loss of which materially and adversely impacts (x) Lessee's ability to use the Premises for its Agreed Use, (y) the accessibility of the Premises, or (z) the visibility of the Premises. If Lessee does not terminate this Lease in accordance with the foregoing, this Lease shall remain in full force and effect as to the portion of the Premises remaining, except that the Base Rent shall be reduced in proportion to the reduction in floor area of the Premises.

15. **Estoppel Certificates; Financial Statements.**

(a) Lessee shall within ten (10) business days after written notice from Lessor execute, acknowledge and deliver to Lessor a statement in writing in form similar to the then most current "Estoppel Certificate" form published by AIR CRE or such other form as Lessor shall reasonably require, plus such additional information, confirmation and/or statements as may be reasonably requested by Lessor.

(b) If Lessee shall fail to execute or deliver the Estoppel Certificate within such 10-day period, Lessor may execute an Estoppel Certificate stating that: (i) the Lease is in full force and effect without modification except as may be represented by Lessor, (ii) there are no uncured defaults in Lessor's performance, and (iii) not more than one month's rent has been paid in advance. Prospective purchasers and encumbrancers may rely upon Lessor's Estoppel Certificate, and Lessee shall be estopped from denying the truth of the facts contained in said Certificate. In addition, Lessee acknowledges that any failure on its part to provide such an Estoppel Certificate will expose Lessor to risks and potentially cause Lessor to incur costs not contemplated by this Lease, the extent of which will be extremely difficult to ascertain. Accordingly, should the Lessee fail to execute and/or deliver a requested Estoppel Certificate in a timely fashion the monthly Base Rent shall be automatically increased, without any requirement for notice to Lessee, by an amount equal to [***]% of the then existing Base Rent or $100, whichever is greater until the Estoppel Certificate is provided for remainder of the Lease. The Parties agree that such increase in Base Rent represents fair and reasonable compensation for the additional risk/costs that Lessor will incur by reason of Lessee's failure to provide the Estoppel Certificate. Such increase in Base Rent shall in no event constitute a waiver of Lessee's Default or Breach with respect to the failure to provide the Estoppel Certificate nor prevent the exercise of any of the other rights and remedies granted hereunder.

(c) Lessee and all Guarantors shall, within ten (10) days after a request from Lessor, deliver to Lessor such financial statements as are reasonably required by Lessor to verify the net worth of Lessee, any Guarantor of Lessee's obligations under this Lease or an affiliate or parent company of Lessee as Lessor may request. Lessee represents and warrants to Lessor that all such financial statements provided in connection with this Lease including, without limitation, any that have been provided prior to the date of this Lease, are true, complete and correct as of the date thereof. Lessee further agrees to cooperate with any request by Lessor for Lessee's written permission or other cooperation in connection with Lessor's obtaining a credit report or similar information regarding Lessee and/or Lessee's principals or Guarantor from third-party sources; and in this regard, Lessee, to the maximum extent permitted by applicable law, hereby waives any obligations to Lessee which Lessor may otherwise have with regard to Lessor's seeking and/or obtaining any such third-party reports or information. Lessor anticipates that its request for the additional information prescribed in this Paragraph 15(c) will be limited either to a potential sale or financing of the Premises or of all or a portion of the Premises or to Lessor's concern as to the continuing financial ability of Lessee to perform its obligations under this Lease or of Guarantor to perform the obligations under the Guaranty. Lessee acknowledges and agrees that any financial statements submitted by Lessee to Lessor at any time in connection with this Lease are being relied upon by Lessor in entering into this Lease and extending any credit to Lessee and, to the extent that such financial statements, or any financial statements provided by Lessee to Lessor subsequent to the execution of this Lease, are materially false or incorrect, it shall be deemed a Lessee Default, and Lessor, upon or after discovery of such, may terminate this Lease or pursue any other applicable default remedies set forth in this Lease. Further, Lessor specifically reserves all rights it may have to object to a discharge or reorganization by Lessee or any Guarantor in any bankruptcy proceeding filed by or against Lessee or any Guarantor based upon such materially false or incorrect financial statements.

(d) If Lessor desires to finance, refinance, or sell the Premises, or any part thereof, Lessee and all Guarantors shall within ten (10) days after written notice from Lessor deliver to any potential lender or purchaser designated by Lessor such financial statements as may be reasonably required by such lender or purchaser, including but not limited to Lessee's financial statements for the past 2 years, provided such request is not made more than once per calendar year. All such financial statements shall be received by Lessor and such lender or purchaser in confidence and shall be used only for the purposes herein set forth.

16. **Definition of Lessor**. The term "Lessor" as used herein shall mean the owner or owners at the time in question of the fee title to the Premises, or, if this is a sublease, of the Lessee's interest in the prior lease. In the event of a transfer of Lessor's title or interest in the Premises or this Lease, Lessor shall deliver to the transferee or assignee (in cash or by credit) any unused Security Deposit held by Lessor. Upon such transfer or assignment and delivery of the Security Deposit, as aforesaid, the prior Lessor shall be relieved of all liability with respect to the obligations and/or covenants under this Lease thereafter to be performed by the Lessor. Subject to the foregoing, the obligations and/or covenants in this Lease to be performed by the Lessor shall be binding only upon the Lessor as hereinabove defined.

17. **Severability**. The invalidity of any provision of this Lease, as determined by a court of competent jurisdiction, shall in no way affect the validity of any other provision hereof.

18. **Days**. Unless otherwise specifically indicated to the contrary, the word "days" as used in this Lease shall mean and refer to calendar days.

19. **Limitation on Liability**. The obligations of Lessor under this Lease shall not constitute personal obligations of Lessor, or its partners, members, directors, officers or shareholders, and Lessee shall look to the Premises, and to no other assets of Lessor, for the satisfaction of any liability of Lessor with respect to this Lease, and shall not seek recourse against Lessor's partners, members, directors, officers or shareholders, or any of their personal assets for such satisfaction.

20. **Time of Essence**. Time is of the essence with respect to the performance of all obligations to be performed or observed by the Parties under this Lease.

21. **No Prior or Other Agreements; Broker Disclaimer**. This Lease contains all agreements between the Parties with respect to any matter mentioned herein, and no other prior or contemporaneous agreement or understanding shall be effective. Lessor and Lessee each represents and warrants to the Brokers that it has made, and is relying solely upon, its own investigation as to the nature, quality, character and financial responsibility of the other Party to this Lease and as to the use, nature, quality and character of the Premises. Brokers have no responsibility with respect thereto or with respect to any default or breach hereof by either Party.

22. **Notices.**

22.1 **Notice Requirements**. All notices required or permitted by this Lease or applicable law shall be in writing and may be delivered in person (by hand or by courier) or may be sent by regular, certified or registered mail or U.S. Postal Service Express Mail, with postage prepaid, or by facsimile transmission, or by email, and shall be deemed sufficiently given if served in a manner specified in this Paragraph 22. Each Party's present address for delivery or mailing of notices is set forth below. Either Party may by written notice to the other specify a different address for notice, except that upon Lessee's taking possession of the Premises, the Premises shall constitute Lessee's address for notice. A copy of all notices to Lessor shall be concurrently transmitted to such party or parties at such addresses as Lessor may from time to time hereafter designate in writing.

IF TO LESSEE:

HealthCentral Illinois Holdings, LLC
c/o Ascend Wellness Holdings
[REDACTED]
[REDACTED]
Attn: Dan Neville
Email: [REDACTED]

IF TO LESSOR:

LCR 1014 Eastport Plaza, LLC
c/o Treehouse Real Estate Investment Trust, Inc.
10115 Jefferson Blvd.
Culver City, CA 90232
Attn: Chris Ganan
Email: [REDACTED]

with a copy to:

Raines Feldman LLP
1800 Avenue of the Stars, 12th Floor
Los Angeles, CA 90067
Attn: Andrew H. Raines
Telephone: (310) 440-4100
Email: ARaines@raineslaw.com

22.2 **Date of Notice**. Any notice sent by registered or certified mail, return receipt requested, shall be deemed given on the date of delivery shown on the receipt card, or if no delivery date is shown, the postmark thereon. If sent by regular mail the notice shall be deemed given 72 hours after the same is addressed as required herein and mailed with postage prepaid. Notices delivered by United States Express Mail or overnight courier that guarantees next day delivery shall be deemed given 24 hours after delivery of the same to the Postal Service or courier. Notices delivered by hand, or transmitted by facsimile transmission or by email shall be deemed delivered upon actual receipt. If notice is received on a Saturday, Sunday or legal holiday, it shall be deemed received on the next business day.

23. **Waivers.**

(a) No waiver by Lessor of the Default or Breach of any term, covenant or condition hereof by Lessee, shall be deemed a waiver of any other term, covenant or condition hereof, or of any subsequent Default or Breach by Lessee of the same or of any other term, covenant or condition hereof. Lessor's consent to, or approval of, any act shall not be deemed to render unnecessary the obtaining of Lessor's consent to, or approval of, any subsequent or similar act by Lessee, or be construed as the basis of an estoppel to enforce the provision or provisions of this Lease requiring such consent.

(b) The acceptance of Rent by Lessor shall not be a waiver of any Default or Breach by Lessee. Any payment by Lessee may be accepted by Lessor on account of monies or damages due Lessor, notwithstanding any qualifying statements or conditions made by Lessee in connection therewith, which such statements and/or conditions shall be of no force or effect whatsoever unless specifically agreed to in writing by Lessor at or before the time of deposit of such payment.

(c) THE PARTIES AGREE THAT THE TERMS OF THIS LEASE SHALL GOVERN WITH REGARD TO ALL MATTERS RELATED THERETO AND HEREBY WAIVE THE PROVISIONS OF ANY PRESENT OR FUTURE STATUTE TO THE EXTENT THAT SUCH STATUTE IS INCONSISTENT WITH THIS LEASE.

24. **No Right To Holdover**. Lessee has no right to retain possession of the Premises or any part thereof beyond the expiration or termination of this Lease. In the event that Lessee holds over, then the Base Rent shall be increased to [***]% of the Base Rent applicable immediately preceding the expiration or termination. Holdover Base Rent shall be calculated on monthly basis. Nothing contained herein shall be construed as consent by Lessor to any holding over by Lessee.

25. **Cumulative Remedies**. No remedy or election hereunder shall be deemed exclusive but shall, wherever possible, be cumulative with all other remedies at law or in equity.

26. **Covenants and Conditions; Construction of Agreement**. All provisions of this Lease to be observed or performed by Lessee are both covenants and conditions. In construing this Lease, all headings and titles are for the convenience of the Parties only and shall not be considered a part of this Lease. Whenever required by the context, the singular shall include the plural and vice versa. This Lease shall not be construed as if prepared by one of the Parties, but rather according to its fair meaning as a whole, as if both Parties had prepared it.

27. **Binding Effect; Choice of Law**. This Lease shall be binding upon the Parties, their personal representatives, successors and assigns and be governed by the laws of the State in which the Premises are located. Any litigation between the Parties hereto concerning this Lease shall be initiated in the county in which the Premises are located.

28. **Subordination; Attornment.**

28.1 **Subordination**. This Lease and any Option granted hereby shall be subject and subordinate to any ground lease, mortgage, deed of trust, or other hypothecation or security device (collectively, "**Security Device**"), now or hereafter placed upon the Premises, to any and all advances made on the security thereof, and to all renewals, modifications, and extensions thereof. Lessee agrees that the holders of any such Security Devices (in this Lease together referred to as "**Lender**") shall have no liability or obligation to perform any of the obligations of Lessor under this Lease. Any Lender may elect to have this Lease and/or any Option granted hereby superior to the lien of its Security Device by giving written notice thereof to Lessee, whereupon this Lease and such Options shall be deemed prior to such Security Device, notwithstanding the relative dates of the documentation or recordation thereof.

28.2 **Attornment**. In the event that Lessor transfers title to the Premises, or the Premises are acquired by another upon the foreclosure or termination of a Security Device to which this Lease is subordinated (i) Lessee shall attorn to such new owner, and upon request, enter into a new lease, containing all of the terms and provisions of this Lease, with such new owner for the remainder of the term hereof, or, at the election of the new owner, this Lease will automatically become a new lease between Lessee and such new owner, and (ii) Lessor shall thereafter be relieved of any further obligations hereunder and such new owner shall assume all of Lessor's obligations, except that such new owner shall not: (a) be liable for any act or omission of any prior lessor or with respect to events occurring prior to acquisition of ownership; (b) be subject to any offsets or defenses which Lessee might have against any prior lessor, (c) be bound by prepayment of more than one month's rent, or (d) be liable for the return of any security deposit paid to any prior lessor which was not paid or credited to such new owner.

28.3 **Self-Executing**. The agreements contained in this Paragraph 30 shall be effective without the execution of any further documents; provided, however, that, upon written request from Lessor or a Lender in connection with a sale, financing or refinancing of the Premises, Lessee and Lessor shall execute such further writings as may be reasonably required to separately document any subordination and/or attornment provided for herein.

29. **Attorneys' Fees**. If any Party or Broker brings an action or proceeding involving the Premises whether founded in tort, contract or equity, or to declare rights hereunder, the Prevailing Party (as hereafter defined) in any such proceeding, action, or appeal thereon, shall be entitled to reasonable attorneys' fees. Such fees may be awarded in the same suit or recovered in a separate suit, whether or not such action or proceeding is pursued to decision or judgment. The term, "**Prevailing Party**" shall include, without limitation, a Party or Broker who substantially obtains or defeats the relief sought, as the case may be, whether by compromise, settlement, judgment, or the abandonment by the other Party or Broker of its claim or defense. The attorneys' fees award shall not be computed

in accordance with any court fee schedule, but shall be such as to fully reimburse all attorneys' fees reasonably incurred. In addition, Lessor shall be entitled to attorneys' fees, costs and expenses incurred in the preparation and service of statutory 3-day notices of Default and consultations in connection therewith, whether or not a legal action is subsequently commenced in connection with such Default or resulting Breach ($250 is a reasonable minimum per occurrence for such services and consultation).

30. **Lessor's Access; Showing Premises; Repairs**. Lessor and Lessor's agents shall have the right to enter the Premises at any time, in the case of an emergency, and otherwise at reasonable times after reasonable prior notice for the purpose of showing the same to prospective purchasers, lenders, or tenants, and making such alterations, repairs, improvements or additions to the Premises as Lessor may deem necessary or desirable and the erecting, using and maintaining of utilities, services, pipes and conduits through the Premises and/or other premises as long as there is no material adverse effect on Lessee's use of the Premises. All such activities shall be without abatement of rent or liability to Lessee. If approval from any state or local governmental regulator or any other governmental authorities is necessary in order for Lessor or any mortgagee to inspect the Premises, Lessee shall use its best efforts to support obtaining such approvals for inspection, time being of the essence.

31. **Auctions**. Lessee shall not conduct, nor permit to be conducted, any auction upon the Premises without Lessor's prior written consent. Lessor shall not be obligated to exercise any standard of reasonableness in determining whether to permit an auction.

32. **Signs**. Lessor may place on the Premises ordinary "For Sale" signs at any time and ordinary "For Lease" signs during the last 6 months of the term hereof. Except as permitted in Paragraph 53, Lessee shall not place any sign upon the Premises without Lessor's prior written consent. All signs must comply with all Applicable Requirements.

33. **Termination; Merger**. Unless specifically stated otherwise in writing by Lessor, the voluntary or other surrender of this Lease by Lessee, the mutual termination or cancellation hereof, or a termination hereof by Lessor for Breach by Lessee, shall automatically terminate any sublease or lesser estate in the Premises; provided, however, that Lessor may elect to continue any one or all existing subtenancies. Lessor's failure within 10 days following any such event to elect to the contrary by written notice to the holder of any such lesser interest, shall constitute Lessor's election to have such event constitute the termination of such interest.

34. **Consents**. All requests for consent shall be in writing. Except as otherwise provided herein, wherever in this Lease the consent of a Party is required to an act by or for the other Party, such consent shall not be unreasonably withheld or delayed. Lessor's actual reasonable costs and expenses (including but not limited to architects', attorneys', engineers' and other consultants' fees) incurred in the consideration of, or response to, a request by Lessee for any Lessor consent, including but not limited to consents to an assignment, a subletting or the presence or use of a Hazardous Substance, shall be paid by Lessee upon receipt of an invoice and supporting documentation therefor. Lessor's consent to any act, assignment or subletting shall not constitute an acknowledgment that no Default or Breach by Lessee of this Lease exists, nor shall such consent be deemed a waiver of any then existing Default or Breach, except as may be otherwise specifically stated in writing by Lessor at the time of such consent. The failure to specify herein any particular condition to Lessor's consent shall not preclude the imposition by Lessor at the time of consent of such further or other conditions as are then reasonable with reference to the particular matter for which consent is being given. In the event that either Party disagrees with any determination made by the other hereunder and reasonably requests the reasons for such determination, the determining party shall furnish its reasons in writing and in reasonable detail within ten (10) business days following such request.

35. **Guarantor.**

35.1 **Execution**. The Guarantors shall each execute a guaranty in the form attached hereto, and each such Guarantor shall have the same obligations as Lessee under this Lease.

35.2 **Default**. It shall constitute a Default of the Lessee if any Guarantor fails or refuses, upon request to provide: (a) evidence of the execution of the guaranty, including the authority of the party signing on Guarantor's behalf to obligate Guarantor, and in the case of a corporate Guarantor, a certified copy of a resolution of its board of

directors authorizing the making of such guaranty, (b) current financial statements, (c) an Estoppel Certificate, or (d) written confirmation that the guaranty is still in effect.

36. **Quiet Possession**. Subject to payment by Lessee of the Rent and performance of all of the covenants, conditions and provisions on Lessee's part to be observed and performed under this Lease, Lessee shall have quiet possession and quiet enjoyment of the Premises during the term hereof.

37. **Options**. If Lessee is granted any Option, as defined below, then the following provisions shall apply.

37.1 **Definition**. "**Option**" shall mean: (a) the right to extend or reduce the term of or renew this Lease or to extend or reduce the term of or renew any lease that Lessee has on other property of Lessor; or (b) the right of first refusal or first offer to lease either the Premises or other property of Lessor.

37.2 **Options Personal To Original Lessee**. Any Option granted to Lessee in this Lease is personal to the original Lessee, and cannot be assigned except in connection with a Permitted Transfer, or exercised by anyone other than said original Lessee (or a transferee pursuant to a Permitted Transfer) and only while the original Lessee (or a transferee pursuant to a Permitted Transfer) is in full possession of the Premises.

37.3 **Multiple Options**. In the event that Lessee has any multiple Options to extend or renew this Lease, a later Option cannot be exercised unless the prior Options have been validly exercised.

37.4 **Effect of Default on Options**.

(a) Lessee shall have no right to exercise an Option: (i) during the period commencing with the giving of any notice of Default and continuing until said Default is cured, (ii) during the period of time any Rent is unpaid (without regard to whether notice thereof is given Lessee), (iii) during the time Lessee is in Breach of this Lease, or (iv) in the event that Lessee has been given 3 or more notices of separate Default on 3 separate occasions, whether or not the Defaults are cured, during the 12 month period immediately preceding the exercise of the Option.

(b) The period of time within which an Option may be exercised shall not be extended or enlarged by reason of Lessee's inability to exercise an Option because of the provisions of Paragraph 37.4(a).

(c) An Option shall terminate and be of no further force or effect, notwithstanding Lessee's due and timely exercise of the Option, if, after such exercise and prior to the commencement of the extended term or completion of the purchase, (i) Lessee fails to pay Rent for a period of thirty (30) days after such Rent becomes due (without any necessity of Lessor to give notice thereof), or (ii) if Lessee commits a Breach of this Lease.

38. **Multiple Buildings**. If the Premises are a part of a group of buildings controlled by Lessor, Lessee agrees that it will abide by and conform to all reasonable rules and regulations which Lessor may make from time to time for the management, safety, and care of said properties, including the care and cleanliness of the grounds and including the parking, loading and unloading of vehicles, and to cause its employees, suppliers, shippers, customers, contractors and invitees to so abide and conform. Lessee also agrees to pay its fair share of common expenses incurred in connection with such rules and regulations.

39. **Security Measures**. Lessee hereby acknowledges that the Rent payable to Lessor hereunder does not include the cost of guard service or other security measures, and that Lessor shall have no obligation whatsoever to provide same. Lessee assumes all responsibility for the protection of the Premises, Lessee, its agents and invitees and their property from the acts of third parties. Lessee acknowledges that, in all events, Lessee is responsible for providing security to the Premises, and Lessee shall indemnify, defend with counsel subject to Lessor's reasonable approval (which shall not be unreasonably withheld, conditioned or delayed), and save Lessor harmless from any claim for injury to person or damage to property asserted by any personnel, employee, guest, invitee or agent of Lessee which is suffered or occurs in or about the Premises by reason of the act of an intruder or any person other than Lessor or any personnel, employee, contractor, guest, invitee or agent of Lessor in or about the Premises.

40. **Reservations**. Provided same do not materially increase Lessee's obligations or materially diminish Lessee's rights hereunder, Lessor reserves to itself the right, from time to time, to grant, without the consent or joinder of Lessee, such easements, rights and dedications that Lessor deems necessary, and to cause the recordation

of parcel maps and restrictions, so long as such easements, rights, dedications, maps and restrictions do not unreasonably interfere with the use of the Premises by Lessee. Lessee agrees to sign any documents reasonably requested by Lessor to effectuate any such easement rights, dedication, map or restrictions.

41. **Authority; Multiple Parties; Execution.**

(a) If either Party hereto is a corporation, trust, limited liability company, partnership, or similar entity, each individual executing this Lease on behalf of such entity represents and warrants that he or she is duly authorized to execute and deliver this Lease on its behalf. Each Party shall, within thirty (30) days after request, deliver to the other Party satisfactory evidence of such authority.

(b) If this Lease is executed by more than one person or entity as "Lessee", each such person or entity shall be jointly and severally liable hereunder. It is agreed that any one of the named Lessees shall be empowered to execute any amendment to this Lease, or other document ancillary thereto and bind all of the named Lessees, and Lessor may rely on the same as if all of the named Lessees had executed such document.

(c) This Lease may be executed by the Parties in counterparts, each of which shall be deemed an original and all of which together shall constitute one and the same instrument.

42. **Conflict**. Any conflict between the printed provisions of this Lease and the typewritten or handwritten provisions shall be controlled by the typewritten or handwritten provisions.

43. **Offer**. Preparation of this Lease by either Party or their agent and submission of same to the other Party shall not be deemed an offer to lease to the other Party. This Lease is not intended to be binding until executed and delivered by all Parties hereto.

44. **Amendments**. This Lease may be modified only in writing, signed by the Parties in interest at the time of the modification. As long as they do not materially change Lessee's obligations hereunder, Lessee agrees to make such reasonable non-monetary modifications to this Lease as may be reasonably required by a Lender in connection with the obtaining of normal financing or refinancing of the Premises.

45. **Waiver of Jury Trial**. TO THE FULLEST EXTENT PERMITTED BY LAW, THE PARTIES HEREBY WAIVE THEIR RESPECTIVE RIGHTS TO TRIAL BY JURY IN ANY ACTION OR PROCEEDING INVOLVING THE PROPERTY OR ARISING OUT OF THIS AGREEMENT. THE PARTIES KNOWINGLY AND IRREVOCABLY WAIVE THEIR RESPECTIVE RIGHTS TO TRIAL BY JURY IN ANY ACTION TO RESOLVE ANY DISPUTE RELATING TO OR ARISING OUT OF THIS LEASE OR ANY PART THEREOF; AND IN CONNECTION WITH THIS LEASE, EACH OF LESSOR AND LESSEE REPRESENTS THAT IT HAS DISCUSSED SUCH WAIVER WITH ITS OWN INDEPENDENT COUNSEL AND HAS RELIED ON ADVICE OF ITS COUNSEL AND MAKES SUCH WAIVER KNOWINGLY AND VOLUNTARILY.

46. **Arbitration of Disputes**. An Addendum requiring the Arbitration of all disputes between the Parties and/or Brokers arising out of this Lease is not attached to this Lease.

47. **Accessibility; Americans with Disabilities Act.**

(a) The Premises have not undergone an inspection by a Certified Access Specialist (CASp). Note: A Certified Access Specialist (CASp) can inspect the subject premises and determine whether the subject premises comply with all of the applicable construction-related accessibility standards under state law. Although state law does not require a CASp inspection of the subject premises, the commercial property owner or lessor may not prohibit the lessee or tenant from obtaining a CASp inspection of the subject premises for the occupancy or potential occupancy of the lessee or tenant, if requested by the lessee or tenant. The parties shall mutually agree on the arrangements for the time and manner of the CASp inspection, the payment of the fee for the CASp inspection, and the cost of making any repairs necessary to correct violations of construction-related accessibility standards within the premises. Lessor hereby waives its right, if any, to require the Premises undergo a CASp inspection.

(b) Since compliance with the Americans with Disabilities Act (ADA) and other state and local accessibility statutes are dependent upon Lessee's specific use of the Premises, Lessor makes no warranty or

representation as to whether or not the Premises comply with ADA or any similar legislation. In the event that Lessee's use of the Premises requires modifications or additions to the Premises in order to be in compliance with ADA or other accessibility statutes, Lessee agrees to make any such necessary modifications and/or additions at Lessee's expense.

48. **Rent Adjustments**. The Base Rent shall be increased on each annual anniversary of the Commencement Date by an amount equal to three percent (3%).

49. **Options to Extend**. Lessor hereby grants to Lessee the option to extend the term of this Lease for two (2) additional five (5) year periods commencing when the prior term expires upon each and all of the following terms and conditions:

(i) In order to exercise an option to extend, Lessee must give written notice of such election to Lessor and Lessor must receive the same at least 6 but not more than 12 months prior to the date that the option period would commence, time being of the essence. If proper notification of the exercise of an option is not given and/or received, such option shall automatically expire. Options (if there are more than one) may only be exercised consecutively.

(ii) The provisions of Paragraph 37, including those relating to Lessee's Default set forth in Paragraph 37.4 of this Lease, are conditions of this option.

(iii) Except for the provisions of this Lease granting an option or options to extend the term, all of the terms and conditions of this Lease except where specifically modified by this option shall apply.

(iv) The monthly rent for each month of the option period shall be calculated as follows: Base Rent shall be increased on the first day of the option period (the "***Option Commencement Date***"), and shall increase on each annual anniversary of the Option Commencement Date by the greater of: (i) [***] percent ([***]%) or (ii) the increase, if any, in the Consumer Price Index of the Bureau of Labor Statistics of the United States Department of Labor, US City Average (1982-84=100), for All Urban Consumers (CPI-U), Not Seasonally Adjusted.

50. **Agreed Use.** Notwithstanding anything herein or in the Lease to the contrary, Lessor acknowledges that Lessee's Agreed Use is, at the time of the execution of this Lease, a violation of United States Code and federal law, and Lessor agrees that this violation shall not, on that basis alone, cause Lessee to forfeit the Premises or otherwise be in default or breach of this Lease. In the event of any change in license, law or regulatory posture concerning the Agreed Use, Lessor shall cooperate in good faith with Lessee and shall approve any changes in Lessee's Agreed Use that may be required to comply with any such change in law or policy.

51. **Filming**. Lessor agrees that Lessee may authorize the use of the Premises for filming of motion pictures, television tapes or films, commercials, videos, documentaries, commentaries, and any and all other still, electronic and other image capture purposes (collectively, "***Filming***"). Lessor agrees that any Filming may be performed during, before or after normal business hours. Upon Lessee's written request, Lessor shall execute such documentation required in connection with such Filming, including, without limitation, executing releases required by third parties filming on the Premises. All such third parties Filming on the Premises shall provide a certificate of insurance naming both Lessor and Lessee as an additional insured.

52. **Change in Laws**. Lessee, at its sole expense, shall comply with all laws, rules, orders and regulations of federal, state, county, and municipal authorities, and with any direction of any public officers pursuant to law, which impose any duty upon Lessor or Lessee with respect to the Premises, including any laws, rules, orders, regulations, and directions as shall hereafter be promulgated, provided however that, except as provided in the last sentence of this Paragraph, Lessee shall not be required to comply with federal law regarding cannabis / marijuana. The parties also acknowledge that under federal law, the production, distribution and sale of cannabis remains a violation of the Controlled Substances Act and that, as between Lessor and Lessee, the risk of enforcement of such law is on Lessee, and that no such enforcement shall act to relieve the Lessee of its obligations under this Lease. Lessee shall indemnify, defend and hold harmless Lessor and all managers and members of Lessor and any person or entity which has a direct or indirect interest in the Lessor and any agent of Lessor and any person or entity which has a

direct or indirect interest in Lessor from and against any and all losses, liabilities, claims and damages arising out of or resulting from the enforcement of such federal law.

53. **Signage**. Lessee shall have the right to install its standard signage on exterior of the front and, if possible, side of Premises. Said signage shall be at Lessee's sole cost and expense in accordance with city ordinances, and subject to Lessor's approval, the latter of which shall not be unreasonably withheld or delayed.

54. **Invalidity of Particular Provisions**. If any term or provision of this Lease or the application thereof to any person or circumstance shall, to any extent, be invalid or unenforceable, the remainder of this Lease, or the application of such term or provision to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby, and each term and provision of this Lease shall be valid and enforceable to the fullest extent permitted by law.

55. **REIT/UBTI**. The Lessor and the Lessee hereby agree that it is their intent that all Rent and charges payable to the Lessor under this Lease shall qualify as "rents from real property" within the meaning of Sections 512(b)(3) and 856(d) of the Internal Revenue Code of 1986, as amended, (the "***Code***") and the U.S. Department of the Treasury Regulations promulgated thereunder (the "***Regulations***"). In the event that (i) the Code or the Regulations, or interpretations thereof by the Internal Revenue Service contained in revenue rulings or other similar public pronouncements, shall be changed so that any Rent or charges no longer so qualifies as "rent from real property" for purposes of either said Section 512(b)(3) or Section 856(d) or (ii) the Lessor, in its sole discretion, determines that there is any risk that all or part of any Rent or charges shall not qualify as "rents from real property" for the purposes of either said Sections 512(b)(3) or 856(d), such Rent and charges shall be adjusted in such manner as the Lessor may reasonably require so that it will so qualify; provided, however, that any adjustments required pursuant to this Paragraph shall be made so as to produce the equivalent (in economic terms) Rent and charges as payable prior to such adjustment. The parties agree to execute such further commercially reasonable instrument as may reasonably be required by the Lessor in order to give effect to the foregoing provisions of this Paragraph 55.

Without limitation of the foregoing and notwithstanding anything contained in this Lease to the contrary, if a sublease, concession or license of all or any portion of the Premises is permitted under this Lease, the provisions of this Paragraph 55 shall continue to apply provided however that the foregoing shall not limit Lessee's right to assign or sublease pursuant to the terms of this Lease including but not limited to the right to make Permitted Transfers.

As an inducement to Lessor to enter into this Lease, Lessee hereby represents and warrants that: (i) Lessee is not, nor is it owned or controlled directly or indirectly by, any person, group, entity or nation named on any list issued by the Office of Foreign Assets Control of the United States Department of the Treasury ("***OFAC***") pursuant to Executive Order 13224 or any similar list or any law, order, rule or regulation or any Executive Order of the President of the United States as a terrorist, "Specially Designated National and Blocked Person" or other banned or blocked person (any such person, group, entity or nation being hereinafter referred to as a "Prohibited Person"); (ii) Lessee is not (nor is it owned, controlled, directly or indirectly, by any person, group, entity or nation which is) acting directly or indirectly for or on behalf of any Prohibited Person; and (iii) from and after the effective date of the above-referenced Executive Order, Lessee (and any person, group, or entity which Lessee controls, directly or indirectly) has not conducted nor will conduct business nor has engaged nor will engage in any transaction or dealing with any Prohibited Person in violation of the U.S. Patriot Act or any OFAC rule or regulation, including without limitation any assignment of this Lease or any subletting of all or any portion of the Premises or the making or receiving of any contribution of funds, goods or services to or for the benefit of a Prohibited Person in violation of the U.S. Patriot Act or any OFAC rule or regulation. In connection with the foregoing, it is expressly understood and agreed that (x) any breach by Lessee of the foregoing representations and warranties shall be deemed a Breach by Lessee, and (y) the representations and warranties contained in this subsection shall be continuing in nature and shall survive the expiration or earlier termination of this Lease. At Lessor's request Lessee shall furnish to Lessor evidence confirming the representations in this Paragraph.

It is understood and agreed that the Lessor shall in no event be construed or held to be a partner or associate of the Lessee in the conduct of the Lessee's business, nor shall the Lessor be liable for any debts incurred by the Lessee in the conduct of the Lessee's business; but it is understood and agreed that the relationship is and at all times shall remain that of Lessor and Lessee.

56. **No Brokers**. Lessor and Lessee each represent and warrant to the other that no brokers were involved in the negotiation of this Lease and that no brokers are owed any commission in connection herewith.

57. **Confidentiality**. Lessor and Lessee agree that the final terms and conditions of this Lease and any financial information provided Lessee shall be kept confidential and shall not be disclosed to any other person or entity other than to Lessor's property managers or to Lessor's or Lessee's lenders, partners, attorneys, accountants or prospective buyers of the Premises or investors, provided the Lessor and Lessee shall be responsible for ensuring the parties to whom each makes disclosure shall maintain the confidentiality of the terms contained herein as if said parties were signatories to this Lease and in any litigation between Lessor and Lessee or then required by judicial or governmental order. The foregoing shall not prohibit the publicizing of the transaction contemplated by this Lease, provided that the material economic terms (for example, the monthly Base Rent and any economic incentives) are not disclosed.

58. **Access**. Subject to casualty, Lessee shall have access to the Premises twenty-four (24) hours per day, seven (7) days per week during the Lease term.

59. **Lease Contingent on Lessor Purchase**. For avoidance of doubt, the parties agree that notwithstanding Lessee's signature and delivery of this Lease, the Lease shall not be effective unless and until Lessor acquires ownership of the Premises pursuant to the Purchase and Sale Agreement dated July __, 2019 by and between Lessor, as Buyer, and HealthCentral Illinois Holdings, LLC, as Seller, as more fully set forth in Paragraph 1.3, and Base Rent shall be equitably pro-rated until such time as Lessor acquires ownership of the entire Premises.

60. **Maintenance of and Compliance with License**. Lessee shall at all times maintain in full force and effect and comply with all terms and conditions of all licenses and permits required to operate the Premises for the Agreed Use (collectively, the "***License***"). If Lessee at any time during the Lease term receives written notice of (i) termination of the License, (ii) noncompliance with a requirement of the License, (iii) a violation of the License, or (iv) any similar written notice from the authority having jurisdiction over the License (each, a "***Threatened Action***"), then Lessee shall immediately notify Lessor in writing and Lessee shall, within five (5) business days of receipt of written notice of a Threatened Action (or such sooner period as required by such written notice), cure any termination, noncompliance, or violation of the License, and take all other steps required to avoid the Threatened Action. If Lessee fails, in Lessor's reasonable judgment, to take all steps necessary to avoid the Threatened Action within said five (5) business day period (or sooner as set forth above), then such failure by Lessee shall be deemed a Default under the Lease and Lessor may, without limiting Lessor's other remedies pursuant to this Lease or otherwise available at law or in equity: (x) terminate this Lease upon thirty (30) days' written notice to Lessee (or such sooner period as may be required to avoid the Threatened Action), and/or (y) take all steps that Lessor deems reasonably required to preserve the License and to avoid the Threatened Action, including but not limited to requiring Lessee to transfer the Lease and/or the License to Lessor or a third party designated by Lessor.

61. **Operating Costs.**

(a) In addition to the Base Rent and other charges prescribed in this Lease, Lessee shall pay to Lessor, as Additional Rent required pursuant to this Lease, the cost of any kind which may be incurred by Lessor in its discretion in connection with the operation, cleaning, maintenance, ownership, management, repair and replacement of the Premises (collectively, the "***Operating Costs***"), including, without limitation, all costs of the following: lighting, painting, cleaning, policing, inspecting, repairing, replacing elements in the Premises; trash removal; insect and pest treatments and eradication; roof repairs and maintenance; environmental protection improvements or devices and health and safety improvements and devices which may be required by applicable laws (including the maintenance, repair and replacement of same); premiums and related expenses to obtain and maintain the policies of insurance required by this Lease; environmental monitoring programs and devices, wages and salaries of all employees, agents, consultants and others engaged in operation, cleaning, maintenance, repair, and replacement of the Premises; charges and assessments paid by Lessor pursuant to any owner's association, reciprocal easement, covenants or comparable document affecting the Premises, any fees which Lessor pays for the management or asset management of the Premises, an allowance for Lessor's administrative or overhead costs, in the amount of [***] percent ([***]%) of the total of all other Operating Costs; utilities, snow and ice removal; monthly amortization of capital improvements to the Premises (the monthly amortization of any given capital improvement shall be the sum

of (a) the quotient obtained by dividing the cost of the capital improvement by Lessor's estimate of the number of months of useful life of such improvement plus (b) an amount equal to the cost of the capital improvement times the lesser of (y) a rate not to exceed [***]% per annum and (z) the maximum annual interest rate permitted by law); the cost of resurfacing and restriping parking areas and roadways; reasonable reserves for any of the foregoing or any other Operating Costs; any other item stated in this Lease to be an Operating Cost. In addition, Lessor and Lessee agree that all costs incurred by Lessor with respect to all sewer (including septic systems, if applicable) and water lines and other equipment (including maintenance, repair and replacement of same), fire-protection equipment and devices (including maintenance, repair and replacement of same), exterior painting and for roof and canopy maintenance, repair and replacement shall be included as Operating Costs pursuant to this Paragraph 61. With regard to capital expenditures, (i) the original investment in capital improvements, i.e., upon the initial construction of the Premises, shall not be included, and (ii) capital improvements made either before or during the Lease term shall be included to the extent of a reasonable depreciation or amortization (including interest accruals commensurate with Lessor's interest costs) beginning with the date on which payment for the improvement was made and continuing through the reasonable useful life of the improvement.

(b) Lessee shall make payment to Lessor for Operating Costs based upon the estimated annual cost of Operating Costs, payable in advance at the same time each month as Base Rent is payable, but subject to adjustment after the end of the year on the basis of the actual costs for such year as provided for under Paragraph 4. Alternatively, Lessee shall, at Lessor's option, make payments to Lessor for Operating Costs on demand at intervals not more frequently than monthly. In addition, if either before or during the Lease term Lessor in its discretion elects to amortize a non-capital expense instead of charging it in full during the year in which it is incurred by Lessor, then such expense shall be amortized (with interest accruals commensurate with Lessor's interest costs) beginning with the date on which payment for the expense was made and continuing through the amortization period. With regard to the charges contemplated in this Paragraph 61, Lessee further agrees that unless within thirty (30) days after Lessor's delivery to Lessee of an assessment and/or statement related to any such charges, Lessee delivers to Lessor a written assertion of one or more specific errors or a written request for further detail regarding a specific charge, then the assessment and/or statement shall be deemed correct in all respects. In addition, Lessee further agrees that if it so asserts error or requests further information within such thirty (30) day period, Lessee will nevertheless pay all amounts charged by Lessor pending a resolution thereof.

LESSOR AND LESSEE HAVE CAREFULLY READ AND REVIEWED THIS LEASE AND EACH TERM AND PROVISION CONTAINED HEREIN, AND BY THE EXECUTION OF THIS LEASE SHOW THEIR INFORMED AND VOLUNTARY CONSENT THERETO. THE PARTIES HEREBY AGREE THAT, AT THE TIME THIS LEASE IS EXECUTED, THE TERMS OF THIS LEASE ARE COMMERCIALLY REASONABLE AND EFFECTUATE THE INTENT AND PURPOSE OF LESSOR AND LESSEE WITH RESPECT TO THE PREMISES.

ATTENTION: NO REPRESENTATION OR RECOMMENDATION IS MADE AS TO THE LEGAL SUFFICIENCY, LEGAL EFFECT, OR TAX CONSEQUENCES OF THIS LEASE OR THE TRANSACTION TO WHICH IT RELATES. THE PARTIES ARE URGED TO:

1. SEEK ADVICE OF COUNSEL AS TO THE LEGAL AND TAX CONSEQUENCES OF THIS LEASE.

2. RETAIN APPROPRIATE CONSULTANTS TO REVIEW AND INVESTIGATE THE CONDITION OF THE PREMISES. SAID INVESTIGATION SHOULD INCLUDE BUT NOT BE LIMITED TO: THE POSSIBLE PRESENCE OF HAZARDOUS SUBSTANCES, THE ZONING OF THE PREMISES, THE STRUCTURAL INTEGRITY, THE CONDITION OF THE ROOF AND OPERATING SYSTEMS, AND THE SUITABILITY OF THE PREMISES FOR LESSEE’S INTENDED USE.

[END OF THIS PAGE; SIGNATURE PAGE FOLLOWS]

The parties hereto have executed this Lease at the place and on the dates specified below their respective signatures.

LESSOR:

LCR 1014 EASTPORT PLAZA, LLC
a Delaware limited liability company

By: Le Cirque Rouge, LP, a Delaware limited partnership
Its: Sole Member

By: Treehouse Real Estate Investment Trust, Inc., a Maryland corporation
Its: General Partner

By: /s/ Christopher Ganan
Name: Christopher Ganan
Title: Chief Executive Officer and President

LESSEE:

HEALTHCENTRAL ILLINOIS HOLDINGS, LLC,
an Illinois limited liability company

By: /s/ Abner Kurtin
Name: Abner Kurtin
Title: Manager

Certain identified information has been omitted from this exhibit because it is not material and would likely cause competitive harm to the registrant if publicly disclosed. [***] indicates that information has been omitted.

GUARANTY OF LEASE

THIS GUARANTY OF LEASE ("**Guaranty**") is entered into as of July 5, 2019, by Ascend Wellness Holdings, LLC, an Illinois limited liability company ("**Guarantor**"), for the benefit of LCR 1014 EASTPORT PLAZA, LLC ("**Lessor**"), with reference to the following facts:

Lessor and HealthCentral Illinois Holdings, LLC ("**Lessee**"), have entered or will enter into a lease of even date herewith (the "**Lease**"). Capitalized terms used but not otherwise defined herein shall have the same meaning ascribed to them in the Lease.

By its covenants herein set forth, Guarantor has induced Lessor to enter into the Lease, which was made and entered into in consideration for Guarantor's said covenants.

Subject to the terms set forth herein, Guarantor unconditionally guarantees, without deduction by reason of setoff, defense or counterclaim, to Lessor and its successors and assigns the full and punctual payment (and not merely the collectability), performance and observance by Lessee, of all of the amounts, terms, covenants and conditions in the Lease contained on Lessee's part to be paid, kept, performed and observed. Notwithstanding the foregoing, in no event shall the scope of Guarantor's obligations exceed Lessee's obligations under the Lease except to the extent Lessee is relieved of any such obligation by reason of any bankruptcy or other like filing or order.

If Lessee shall at any time default in the punctual payment, performance and observance of any of the amounts, terms, covenants or conditions in the Lease contained on Lessee's part to be paid, kept, performed and observed (after applicable notice and cure period), Guarantor will pay, keep, perform and observe same, as the case may be, in the place and stead of Lessee. Guarantor shall also pay to Lessor all reasonable and necessary incidental damages and expenses incurred by Lessor as a direct and proximate result of Lessee's failure to perform, which expenses shall include reasonable attorneys' fees and interest on all sums due and owing Lessor by reason of Lessee's failure to pay same, at the maximum rate allowed by law.

Any act of Lessor, or its successors or assigns, consisting of a waiver of any of the terms or conditions of the Lease, the giving of any consent to any matter or thing relating to the Lease, or the granting of any indulgence or extension of time to Lessee may be done without notice to Guarantor and without releasing Guarantor from any of its obligations hereunder.

The obligations of Guarantor hereunder shall not be released by Lessor's receipt, application or release of any security given for the performance and observance of any covenant or condition in the Lease contained on Lessee's part to be performed or observed, nor by any modification of the Lease, regardless of whether Guarantor consents thereto or receives notice thereof.

The liability of Guarantor hereunder shall in no way be affected by: (a) the release or discharge of Lessee in any creditor's, receivership, bankruptcy or other proceeding; (b) the impairment, limitation or modification of the liability of Lessee or the estate of Lessee in bankruptcy, or of any remedy for the enforcement of Lessee's liability under the Lease resulting from the operation of any present or future provision of the Federal Bankruptcy Code or other statutes or from the decision of any court; (c) the rejection or disaffirmance of the Lease in any such proceedings; (d) the assignment or transfer of the Lease by Lessee; (e) any disability or other defense of Lessee; (f) the cessation from any cause whatever of the liability of Lessee; (g) the exercise by Lessor of any of its rights or remedies reserved under the Lease or by law; or (h) any termination of the Lease.

If Lessee shall become insolvent or be adjudicated bankrupt, whether by voluntary or involuntary petition, if any bankruptcy action involving Lessee shall be commenced or filed, if a petition for reorganization, arrangement or similar relief shall be filed against Lessee, or if a receiver of any part of Lessee's property or assets shall be appointed by any court, Guarantor shall pay to Lessor the amount of all accrued, unpaid and accruing rent and other charges due under the Lease and all principal and interest and other charges under to the date when the debtor-in- possession, the trustee or administrator accepts the Lease and commences paying same. At the option of Lessor, Guarantor shall either: (a) pay Lessor an amount equal to the rent and other charges which would have been payable for the unexpired portion of the Lease term reduced to present-day value; or (b) execute and deliver to Lessor a new lease for the balance of the Lease term with the same terms and conditions as the Lease, but with Guarantor as

Lessee thereunder. Any operation of any present or future debtor's relief act or similar act, or law or decision of any court, shall in no way affect the obligations of Guarantor or Lessee to perform any of the terms, covenants or conditions of the Lease or of this Guaranty.

Guarantor may be joined in any action against Lessee in connection with the obligations of Lessee under the Lease and recovery may be had against Guarantor in any such action. Lessor may enforce the obligations of Guarantor hereunder without first taking any action whatever against Lessee or its successors and assigns, or pursuing any other remedy or applying any security it may hold.

Until all of the covenants and conditions in the Lease on Lessee's part to be performed and observed are fully performed and observed, Guarantor: (a) shall have no right of subrogation against Lessee by reason of any payment or performance by Guarantor hereunder; and (b) subordinates any liability or indebtedness of Lessee now or hereafter held by Guarantor to the obligations of Lessee to Lessor under the Lease.

This Guaranty shall apply to the Lease, any extension, renewal, modification or amendment thereof, to any assignment, subletting or other tenancy thereunder and to any holdover term following the Lease term granted under the Lease, or any extension or renewal thereof. Notwithstanding anything in this Guaranty to the contrary, in the event Lessee assigns the Lease or subleases the Premises in accordance with the provisions of the Lease to a third party which is not an entity controlling or controlled by or under common control with Lessee or Guarantor (a "Third Party Assignee") then (a) the undersigned shall not be responsible for any incremental increase in Rent or other obligation under the Lease or for or during any extension of the Lease term resulting from an amendment to the Lease between Lessor and such Third Party Assignee which provides for an increase in Rent or other obligation due under the Lease or an extension of the Lease term or for any exercise of any option to extend the Lease term which may be exercised by said Third Party Assignee, unless Guarantor shall have consented in writing to such increase in Rent or other obligation or extension of Lease term; and (b) as a condition to the undersigned's liabilities under this Guaranty, Lessor shall be required to deliver written notice of any defaults by Lessee or the Third Party Assignee to Guarantor and Guarantor shall have the right to cure same within the time period provided in the Lease.

In the event of any litigation between Guarantor and Lessor with respect to the subject matter hereof, the unsuccessful party in such litigation shall pay to the successful party all fees, costs and expenses thereof, including reasonable attorneys' fees and expenses.

If there is more than one undersigned Guarantor, (a) the term "Guarantor", as used herein, shall include all of the undersigned; (b) each provision of this Guaranty shall be binding on each one of the undersigned, who shall be jointly and severally liable hereunder; and (c) Lessor shall have the right to join one or all of them in any proceeding or to proceed against them in any order.

Within fifteen (15) days after Lessor's written request (which requests may not be made more than once per calendar year), Guarantor shall furnish Lessor with financial statements or other reasonable financial information reflecting Guarantor's current financial condition, certified by Guarantor or its financial officer. If Guarantor is a publicly-traded corporation, delivery of Guarantor's last published financial information shall be satisfactory for purposes of this Paragraph.

This instrument constitutes the entire agreement between Lessor and Guarantor with respect to the subject matter hereof, superseding all prior oral and written agreements and understandings with respect thereto. It may not be changed, modified, discharged or terminated orally or in any manner other than by an agreement in writing signed by Guarantor and Lessor.

This Guaranty shall be governed by and construed in accordance with the laws of the State of Illinois.

Every notice, demand or request (collectively "**Notice**") required hereunder or by law to be given by either party to the other shall be in writing. Notices shall be given by personal service or by United States certified or registered mail, postage prepaid, return receipt requested, or by telegram, mailgram or same-day or overnight private courier, addressed to the party to be served at the address indicated below or such other address as the party to be served may from time to time designate in a Notice to the other party.

Any action to declare or enforce any right or obligation under the Lease may be commenced by Lessor in the state courts of the State of Illinois. Guarantor hereby consents to the jurisdiction of such Court for such purposes. Any notice, complaint or legal process so delivered shall constitute adequate notice and service of process for all purposes and shall subject Guarantor to the jurisdiction of such Court for purposes of adjudicating any matter related to this Guaranty. Lessor and Guarantor hereby waive their respective rights to trial by jury of any cause of action, claim, counterclaim or cross-complaint in any action, proceeding and/or hearing brought by either Lessor against Guarantor or Guarantor against Lessor on any matter whatever arising out of, or in any way connected with, the Lease, or this Guaranty.

This Guaranty may be assigned in whole or part by Lessor upon written notice to Guarantor, but it may not be assigned by Guarantor without Lessor's prior written consent, which may be withheld in Lessor's sole and absolute discretion.

The terms and provisions of this Guaranty shall be binding upon and inure to the benefit of the heirs, personal representatives, successors and permitted assigns of the parties hereto.

IN WITNESS WHEREOF, Guarantor has executed this Guaranty as of the date first above written.

"GUARANTOR"

Ascend Wellness Holdings, LLC,
a Delaware limited liability company

By: AGP Partners, LLC, its Managing Member

By: /s/ Abner Kurtin
Name: Abner Kurtin
Title: Manager

Certain identified information has been omitted from this exhibit because it is not material and would likely cause competitive harm to the registrant if publicly disclosed. [***] indicates that information has been omitted.

CONFIDENTIAL TREATMENT REQUESTED - REDACTED COPY

COMMERCIAL LEASE

1. **Basic Provisions ("*Basic Provisions*").**

1.1 **Parties**. This Commercial Lease ("***Lease***"), dated for reference purposes only July 5, 2019 is made by and between **LCR 628 EAST ADAMS, LLC**, a Delaware limited liability company ("***Lessor***") and **healthcentral, llc**, an Illinois limited liability company ("***Lessee***"), (collectively the "***Parties***," or individually a "***Party***").

1.2 **Premises**. That certain real property, including all improvements therein, commonly known as 628 East Adams Street, Springfield, Illinois ("***Premises***"). The Premises are located in the County of Sangamon, and are generally described as APN: 14-34.0-131-069. (See also Paragraph 2.)

1.3 **Term**. Ten (10) years and zero (0) months ("***Original Term***") commencing upon the "Closing" as defined in that certain Purchase and Sale Agreement dated July ___, 2019, as amended, by and between Lessor, as Purchaser, and HealthCentral Illinois Holdings, LLC, as Seller ("***Commencement Date***") and ending on the last day of the one hundred twentieth (120th) following the Commencement Date ("***Expiration Date***"). (See also Paragraph 3.)

1.4 **Base Rent**. Fifty Five Thousand and 00/100 Dollars ($55,000.00) per month ("***Base Rent***"), payable on the first (1st) day of each month commencing on the Commencement Date. (See also Paragraph 4.)

☒ If this box is checked, there are provisions in this Lease for the Base Rent to be adjusted. See Paragraph 49.

1.5 **Base Rent and Other Monies Paid Upon Execution:**

(a) Base Rent: $55,000.00 for the first month following the Commencement Date.

(b) Security Deposit: $55,000.00 ("***Security Deposit***"). (See also Paragraph 5)

(c) Total Due Upon Execution of this Lease: $110,000.00.

1.6 **Agreed Use**. A cannabis dispensary, and any other related lawful use ("***Agreed Use***"). (See also Paragraph 6 and Paragraph 51)

1.7 **Insuring Party**. Lessee is the "Insuring Party" unless otherwise stated herein. (See also Paragraph 8)

1.8 **Real Estate Brokers**. None. (See also Paragraph 57).

1.9 **Guarantor**. The obligations of the Lessee under this Lease are to be guaranteed by Ascend Wellness Holdings, LLC, a Delaware limited liability company ("***Guarantor***"). (See also Paragraph 35)

2. **Premises.**

2.1 **Letting**. Lessor hereby leases to Lessee, and Lessee hereby leases from Lessor, the Premises, for the term, at the rental, and upon all of the terms, covenants and conditions set forth in this Lease. While the approximate square footage of the Premises may have been used in the marketing of the Premises for purposes of comparison, the Base Rent stated herein is NOT tied to square footage and is not subject to adjustment should the actual size be determined to be different. NOTE: Lessee is advised to verify the actual size prior to executing this Lease.

2.2 **Condition**. Lessor shall deliver the Premises to Lessee in its AS IS condition. Lessor has made no representations or warranties relative to the condition of the Premises or its fitness for the Agreed Use or to its compliance with Applicable Requirements (as hereinafter defined) and Lessee has had the opportunity to make a full and complete investigation of the Premises and accepts the Premises in their AS IS condition without any obligation on the Lessor's part to perform any work thereto.

2.3 **Compliance**. Lessee is responsible for determining whether or not the building codes, applicable laws, covenants and restrictions of record, regulations, laws and ordinances and zoning ("***Applicable Requirements***"), are appropriate for Lessee's intended use, and acknowledges that past uses of the Premises may no longer be allowed. If the Applicable Requirements are hereafter changed so as to require during the term of this Lease the construction of an addition to or an alteration of the Premises, the remediation of any Hazardous Substance, or the reinforcement or other physical modification of the Premises ("***Capital Expenditure***"), Lessor and Lessee shall allocate the cost of such work as follows:

(a) Subject to Paragraph 2.3(c) below, if such Capital Expenditures are required as a result of the specific and unique use of the Premises by Lessee as compared with uses by tenants in general, Lessee shall be fully responsible for the cost thereof.

(b) If such Capital Expenditure is not the result of the specific and unique use of the Premises by Lessee (such as, governmentally mandated seismic modifications), then Lessor shall pay for such Capital Expenditure at Lessee's sole cost and expense, and the Capital Expenditure shall be amortized over a twelve (12) year period from the date when it is incurred and upon the expiration of this Lease, provided that the Lessee is not in default under this Lease, Lessor shall reimburse Lessee for the unamortized portion of such Capital Expenditure.

(c) Notwithstanding the above, the provisions concerning Capital Expenditures are intended to apply only to non-voluntary, unexpected, and new Applicable Requirements. If the Capital Expenditures are instead triggered by Lessee as a result of an actual or proposed change in use, change in intensity of use, or modification to the Premises then, and in that event, Lessee shall either: (i) immediately cease such changed use or intensity of use and/or take such other steps as may be necessary to eliminate the requirement for such Capital Expenditure, or (ii) complete such Capital Expenditure at its own expense. Lessee shall not, however, have any right to terminate this Lease.

2.4 **Acknowledgements**. Lessee acknowledges that: (a) it has been given an opportunity to inspect and measure the Premises, (b) it has been advised by Lessor and/or Brokers to satisfy itself with respect to the size and condition of the Premises (including but not limited to the electrical, HVAC and fire sprinkler systems, security, environmental aspects, and compliance with Applicable Requirements and the Americans with Disabilities Act), and their suitability for Lessee's intended use, (c) Lessee has made such investigation as it deems necessary with reference to such matters and assumes all responsibility therefor as the same relate to its occupancy of the Premises, (d) it is not relying on any representation as to the size of the Premises made by Brokers or Lessor, (e) the square footage of the Premises was not material to Lessee's decision to lease the Premises and pay the Rent stated herein, and (f) neither Lessor, nor Lessor's agents, nor Brokers have made any oral or written representations or warranties with respect to said matters other than as set forth in this Lease.

3. **Term.**

3.1 **Term**. The Commencement Date, Expiration Date and Original Term of this Lease are as specified in Paragraph 1.3.

3.2 **Possession**. Lessor shall deliver possession of the Premises to Lessee on the Commencement Date.

4. **Rent.**

4.1 **Rent Defined**. All monetary obligations of Lessee to Lessor under the terms of this Lease (except for the Security Deposit) are deemed to be rent ("***Rent***"). Any and all other sums of money or charges to be paid by Lessee pursuant to the provisions of this Lease other than Base Rent are hereby designated as and included in the term "***Additional Rent***." A failure to pay Additional Rent shall be treated in all events as the failure to pay Rent.

4.2 **Payment**. Lessee shall cause payment of Rent to be received by Lessor in lawful money of the United States, without offset or deduction (except as specifically permitted in this Lease), on or before the day on which it is due. All monetary amounts shall be rounded to the nearest whole dollar. In the event that any invoice prepared by Lessor is inaccurate such inaccuracy shall not constitute a waiver and Lessee shall be obligated to pay the amount set forth in this Lease. Rent for any period during the term hereof which is for less than one full calendar

month shall be prorated based upon the actual number of days of said month. Payment of Rent shall be made to Lessor at its address stated herein or to such other persons or place as Lessor may from time to time designate in writing. Acceptance of a payment which is less than the amount then due shall not be a waiver of Lessor's rights to the balance of such Rent, regardless of Lessor's endorsement of any check so stating. In the event that any check, draft, or other instrument of payment given by Lessee to Lessor is dishonored for any reason, Lessee agrees to pay to Lessor the sum of $25 in addition to any Late Charge and Lessor, at its option, may require all future Rent be paid by cashier's check. Payments will be applied first to accrued late charges and attorney's fees, second to accrued interest, then to Base Rent, and any remaining amount to any other outstanding charges or costs. All payments hereunder shall be made by check or wire transfer and may not be made in cash.

4.3 **Operating Costs Payment.** Lessee shall pay to Lessor the Operating Costs as set forth in Paragraph 62. Further, Lessee shall during each calendar year pay to Lessor an estimate of the Operating Costs as hereinafter set forth. Beginning on the Commencement Date, Lessee shall pay to Lessor each month on the first day of the month an amount equal to one-twelfth (1/12) of the Operating Costs for the calendar year in question as reasonably estimated by Lessor, with an adjustment to be made between the parties at a later date as hereinafter provided. If the Commencement Date is not the first day of a calendar month, Lessee shall pay a prorated portion of the Operating Costs for such partial month on the Commencement Date. Furthermore, Lessor may from time to time furnish Lessee with notice of a re-estimation of the amount of the Operating Costs and Lessee shall commence paying its re-estimated Operating Costs on the first day of the month following receipt of said notice. As soon as practicable following the end of any calendar year, Lessor shall submit to Lessee a statement setting forth the exact amount of the Operating Costs for the calendar year just completed and the difference, if any, between the actual Operating Costs for the calendar year just completed and the estimated amount of Operating Costs which were paid for such year. Such statement shall also set forth the amount of the estimated Operating Costs reimbursement for the new calendar year computed in accordance with the foregoing provisions. To the extent that the actual Operating Costs for the period covered by such statement is higher than the estimated payments which Lessee previously paid during the calendar year just completed, Lessee shall pay to Lessor the difference within thirty (30) days following receipt of said statement from Lessor. To the extent that the actual Operating Costs for the period covered by the applicable statement is less than the estimated payments which Lessee previously paid during the calendar year just completed, Lessor shall at its option either refund said amount to Lessee within thirty (30) days or credit the difference against Lessee's estimated reimbursement for such Operating Costs for the current year. In addition, with respect to the monthly reimbursement, until Lessee receives such statement, Lessee's monthly reimbursement for the new calendar year shall continue to be paid at the then current rate, but Lessee shall commence payment to Lessor of the monthly installments of reimbursement on the basis of the statement beginning on the first day of the month following the month in which Lessee receives such statement.

5. **Security Deposit**. Lessee shall deposit with Lessor upon execution hereof the Security Deposit as security for Lessee's faithful performance of its obligations under this Lease. If Lessee fails to pay Rent and such failure continues beyond all applicable notice and cure periods, or otherwise Defaults is in Breach under this Lease, Lessor may use, apply or retain all or any portion of said Security Deposit for the payment of any amount already due Lessor, for Rents which will be due in the future, and/ or to reimburse or compensate Lessor for any liability, expense, loss or damage which Lessor may suffer or incur by reason thereof. If Lessor uses or applies all or any portion of the Security Deposit, Lessee shall within ten (10) days after written request therefor deposit monies with Lessor sufficient to restore said Security Deposit to the full amount required by this Lease. If the Base Rent increases during the term of this Lease, Lessee shall, upon written request from Lessor, deposit additional monies with Lessor so that the total amount of the Security Deposit shall at all times bear the same proportion to the increased Base Rent as the initial Security Deposit bore to the initial Base Rent. Should the Agreed Use be amended to accommodate a material change in the business of Lessee or to accommodate a sublessee or assignee, Lessor shall have the right to increase the Security Deposit to the extent necessary, in Lessor's reasonable judgment, to account for any increased wear and tear that the Premises may suffer as a result thereof. If a change in control of Lessee occurs during this Lease and following such change the financial condition of Lessee is, in Lessor's reasonable judgment, significantly reduced, Lessee shall deposit such additional monies with Lessor as shall be sufficient to cause the Security Deposit to be at a commercially reasonable level based on such change in financial condition. Lessor shall not be required to keep the Security Deposit separate from its general accounts. Within thirty (30) days after the expiration or termination of this Lease, Lessor shall return that portion of the Security Deposit not used or

applied by Lessor together with an itemized statement showing any deductions made by Lessor. Lessor shall upon written request provide Lessee with an accounting showing how that portion of the Security Deposit that was not returned was applied. No part of the Security Deposit shall be considered to be held in trust, to bear interest or to be prepayment for any monies to be paid by Lessee under this Lease. THE SECURITY DEPOSIT SHALL NOT BE USED BY LESSEE IN LIEU OF PAYMENT OF THE LAST MONTH'S RENT. Any Lender shall not be responsible for the Security Deposit until it has received the same. Lessee waives the provisions of all provisions of law now in force or that become in force after the date of execution of this Lease, that provide that Lessor may claim from a security deposit only those sums reasonably necessary to remedy defaults in the payment of rent, to repair damage caused by Lessee, or to clean the Premises. Lessor and Lessee agree that Lessor may, in addition, claim those sums reasonably necessary to compensate Lessee for any other foreseeable or unforeseeable loss or damage caused by the act or omission of Lessee or Lessor's officers, agents, employees, independent contractors, or invitees.

6. **Use.**

6.1 **Use**. Lessee shall use and occupy the Premises only for the Agreed Use, or any other legal use which is reasonably comparable thereto, and for no other purpose. Lessee shall not use or permit the use of the Premises in a manner that is unlawful, creates damage, waste or a nuisance, or that disturbs occupants of or causes damage to neighboring premises or properties. Other than guide, signal and seeing eye dogs, Lessee shall not keep or allow in the Premises any pets, animals, birds, fish, or reptiles. Lessor shall not unreasonably withhold or delay its consent to any written request for a modification of the Agreed Use, so long as the same will not impair the structural integrity of the improvements on the premises or the mechanical or electrical systems therein, and/or is not significantly more burdensome to the Premises. If Lessor elects to withhold consent, Lessor shall within seven (7) days after such request give written notification of same, which notice shall include an explanation of Lessor's objections to the change in the Agreed Use.

Lessee shall use commercially reasonable efforts to ensure that patients, customers, employees, agents, and owners of Lessee and Lessee's dispensary neither loiter, nor use, smoke, vape, dab, consume, in any form or fashion, any marijuana product in the Premises or on any sidewalks, parking areas or walkways serving the same. Since marijuana products may cause odors that migrate off site, Lessee shall have the duty to reasonably mitigate odors.

Lessee agrees that no smoking of any kind shall be permitted by any of Lessee's employees, agents, customers or invitees in the Premises or on any sidewalks, parking areas or walkways serving the same.

Notwithstanding the foregoing, Lessor acknowledges that the sidewalks, parking areas and walkways referenced in the preceding paragraphs are public areas outside of Lessee's control and Lessor therefore agrees that Lessee's responsibility with respect to those spaces shall be limited to making commercially reasonable efforts within the Premises to request that patients, customers, employees, agents, and owners of Lessee refrain from loitering or using/consuming cannabis in any way in these areas.

As soon as reasonably possible after the Commencement Date, Lessee shall open for business at the Premises for the Agreed Use.

6.2 **Hazardous Substances**.

(a) **Reportable Uses Require Consent**. The term "**Hazardous Substance**" as used in this Lease shall mean any product, substance, or waste whose presence, use, manufacture, disposal, transportation, or release, either by itself or in combination with other materials expected to be on the Premises, is either: (i) potentially injurious to the public health, safety or welfare, the environment or the Premises, (ii) regulated or monitored by any applicable state or local governmental authority, or (iii) a basis for potential liability of Lessor to any applicable state or local governmental agency or third party under any applicable statute or common law theory. Hazardous Substances shall include, but not be limited to, hydrocarbons, petroleum, gasoline, and/or crude oil or any products, by-products or fractions thereof. Notwithstanding anything to the contrary herein, Hazardous Substance shall not include cannabis/marijuana or products derived therefrom. Except as otherwise provided herein, Lessee shall not engage in any activity in or on the Premises which constitutes a Reportable Use of Hazardous Substances without notice to the express prior written consent of Lessor and timely compliance (at Lessee's expense) with all Applicable

Requirements. "**Reportable Use**" shall mean (i) the installation or use of any above or below ground storage tank, (ii) the generation, possession, storage, use, transportation, or disposal of a Hazardous Substance that requires a permit from, or with respect to which a report, notice, registration or business plan is required to be filed with, any governmental authority, and/or (iii) the presence at the Premises of a Hazardous Substance with respect to which any Applicable Requirements requires that a notice be given to persons entering or occupying the Premises or neighboring properties. Notwithstanding the foregoing, Lessee may use any ordinary and customary materials reasonably required to be used in the normal course of the Agreed Use, ordinary office supplies (copier toner, liquid paper, glue, etc.) and common household cleaning materials, so long as such use is in compliance with all Applicable Requirements, is not a Reportable Use, and does not expose the Premises or neighboring property to any meaningful risk of contamination or damage or expose Lessor to any liability therefor. In addition, Lessor may condition its consent to any Reportable Use upon receiving such additional assurances as Lessor reasonably deems necessary to protect itself, the public, the Premises and/or the environment against damage, contamination, injury and/or liability, including, but not limited to, the installation (and removal on or before Lease expiration or termination) of protective modifications (such as concrete encasements) and/or increasing the Security Deposit.

(b) **Duty to Inform Lessor**. If Lessee knows, or has reasonable cause to believe, that a Hazardous Substance has come to be located in, on, under or about the Premises, other than as previously consented to by Lessor (a "***Hazardous Substance Condition***"), Lessee shall immediately give written notice of such fact to Lessor, and provide Lessor with a copy of any report, notice, claim or other documentation which it has concerning the presence of such Hazardous Substance.

(c) **Lessee Remediation**. Lessee shall not cause or permit its employees, agents, contractors or invitees to cause any Hazardous Substance to be spilled or released in, on, under, or about the Premises (including through the plumbing or sanitary sewer system) and shall promptly, at Lessee's expense, comply with all Applicable Requirements and take all investigatory and/or remedial action reasonably recommended, whether or not formally ordered or required, for the cleanup of any contamination of, and for the maintenance, security and/or monitoring of the Premises or neighboring properties, that was caused or materially contributed to by Lessee, or pertaining to or involving any Hazardous Substance brought onto the Premises during the term of this Lease, by or for Lessee, or its employees, agents or contractors or any third party.

(d) **Lessee Indemnification**. Lessee shall indemnify, defend and hold Lessor, its agents, employees, lenders and ground lessor, if any, harmless from and against any and all loss of rents and/or damages, liabilities, judgments, claims, expenses, penalties, and attorneys' and consultants' fees arising out of or involving any Hazardous Substance brought onto the Premises by or for Lessee, or any employee, agent, or contractor of Lessee (provided, however, that Lessee shall have no liability under this Lease with respect to (a) any acts or omissions of Lessor or its employees, agents or contractors or (b) underground migration of any Hazardous Substance under the Premises from adjacent properties not caused or contributed to by Lessee). Lessee's obligations shall include, but not be limited to, the effects of any contamination or injury to person, property or the environment created or suffered by Lessee, and the cost of investigation, removal, remediation, restoration and/or abatement, and shall survive the expiration or termination of this Lease. No termination, cancellation or release agreement entered into by Lessor and Lessee shall release Lessee from its obligations under this Lease with respect to Hazardous Substances, unless specifically so agreed by Lessor in writing at the time of such agreement.

(e) **Lessor Indemnification**. Except as otherwise provided in paragraph 8.7, Lessor and its successors and assigns shall indemnify, defend, reimburse and hold Lessee, its employees and lenders, harmless from and against any and all environmental damages, including the cost of remediation, which are caused by the gross negligence or willful misconduct of Lessor, its agents or employees. Lessor's obligations, as and when required by the Applicable Requirements, shall include, but not be limited to, the cost of investigation, removal, remediation, restoration and/or abatement, and shall survive the expiration or termination of this Lease.

(f) **Investigations and Remediations**. Lessor shall retain the responsibility and pay for any investigations or remediation measures required by governmental entities having jurisdiction with respect to the existence of Hazardous Substances on the Premises prior to Lessee's occupancy, unless such remediation measure is required as a result of Lessee's use (including "Alterations", as defined in Paragraph 7.2(a) below) of the Premises, in which event Lessee shall be responsible for such payment. Lessee shall cooperate fully in any such activities at

the request of Lessor, including allowing Lessor and Lessor's agents to have reasonable access to the Premises at reasonable times in order to carry out Lessor's investigative and remedial responsibilities.

(g) **Lessor Termination Option**. If a Hazardous Substance Condition occurs during the term of this Lease, unless Lessee is responsible therefor as provided in this Lease (in which case Lessee shall make the investigation and remediation thereof required by the Applicable Requirements and this Lease shall continue in full force and effect, but subject to Lessor's rights under Paragraph 6.2(d) and Paragraph 13), Lessor may, at Lessor's option, either (i) investigate and remediate such Hazardous Substance Condition, if required, as soon as reasonably possible at Lessor's expense, in which event this Lease shall continue in full force and effect, or (ii) if the estimated cost to remediate such condition exceeds $[***], give written notice to Lessee, within thirty (30) days after receipt by Lessor of knowledge of the occurrence of such Hazardous Substance Condition, of Lessor's desire to terminate this Lease as of the date 60 days following the date of such notice. In the event Lessor elects to give a termination notice, Lessee may, within 10 days thereafter, give written notice to Lessor of Lessee's commitment to pay the amount by which the cost of the remediation of such Hazardous Substance Condition exceeds $[***]. Lessee shall provide Lessor with said funds or satisfactory assurance thereof within thirty (30) days following such commitment. In such event, this Lease shall continue in full force and effect, and Lessor shall proceed to make such remediation as soon as reasonably possible after the required funds are available. If Lessee does not give such notice and provide the required funds or assurance thereof within the time provided, this Lease shall terminate as of the date specified in Lessor's notice of termination.

6.3 **Lessee's Compliance with Applicable Requirements**. Except as otherwise provided in this Lease, Lessee shall, at Lessee's sole expense, fully, diligently and in a timely manner, materially comply with all Applicable Requirements related to Lessee's business and specific and unique use, the requirements of any applicable fire insurance underwriter or rating bureau, and the reasonable recommendations of Lessor's engineers and/or consultants which relate in any manner to the Premises, without regard to whether said Applicable Requirements are now in effect or become effective after the Commencement Date. Lessee shall, within 10 days after receipt of Lessor's written request, provide Lessor with copies of all permits and other documents, and other information evidencing Lessee's compliance with any Applicable Requirements specified by Lessor, and shall immediately upon receipt, notify Lessor in writing (with copies of any documents involved) of any threatened or actual claim, notice, citation, warning, complaint or report pertaining to or involving the failure of Lessee or the Premises to comply with any Applicable Requirements. Likewise, Lessee shall immediately give written notice to Lessor of: (i) any water damage to the Premises and any suspected seepage, pooling, dampness or other condition conducive to the production of mold; or (ii) any mustiness or other odors that might indicate the presence of mold in the Premises. In addition, Lessee shall provide copies of all relevant material safety data sheets (MSDS) to Lessor within 10 days of the receipt of a written request therefor. In addition, Lessee shall provide Lessor with copies of its business license, certificate of occupancy and/or any similar document within 10 days of the receipt of a written request therefor.

6.4 **Inspection; Compliance**. Lessor and Lessor's "Lender" (as defined in Paragraph 28) and consultants and other persons authorized by Lessor shall have the right to enter into Premises at any time, in the case of an emergency, and otherwise at reasonable times after reasonable notice, for the purpose of inspecting and/or testing the condition of the Premises and/or for verifying compliance by Lessee with this Lease. The cost of any such inspections shall be paid by Lessor, unless a violation of Applicable Requirements, or a Hazardous Substance Condition caused by Lessee (see paragraph 9.1) is found to exist or be imminent, or the inspection is requested or ordered by a governmental authority and is caused by Lessee. In such case, Lessee shall upon request reimburse Lessor for the cost of such inspection, so long as such inspection is reasonably related to the violation or contamination. In addition, Lessee shall provide copies of all relevant material safety data sheets (MSDS) to Lessor within ten (10) days of the receipt of a written request therefor. Lessee acknowledges that any failure on its part to allow such inspections or testing will expose Lessor to risks and potentially cause Lessor to incur costs not contemplated by this Lease, the extent of which will be extremely difficult to ascertain. Accordingly, should the Lessee fail to allow such inspections and/or testing in a timely fashion the Base Rent shall be automatically increased, without any requirement for notice to Lessee, by an amount equal to [***]% of the then existing Base Rent or $100, whichever is greater for the remainder to the Lease. The Parties agree that such increase in Base Rent represents fair and reasonable compensation for the additional risk/costs that Lessor will incur by reason of Lessee's

failure to allow such inspection and/or testing. Such increase in Base Rent shall in no event constitute a waiver of Lessee's Default or Breach with respect to such failure nor prevent the exercise of any of the other rights and remedies granted hereunder.

7. **Maintenance; Repairs; Utility Installations; Trade Fixtures and Alterations.**

7.1 **Lessee's Maintenance Obligations**.

(a) **In General**. Subject to reasonable wear and tear, the provisions of Paragraph 9 (Damage or Destruction), and 14 (Condemnation), Lessee shall, at Lessee's sole expense, keep the Premises, Utility Installations (intended for Lessee's exclusive use, no matter where located), and Alterations in good order, condition and repair, which shall include all necessary replacements (whether or not the portion of the Premises requiring repairs, or the means of repairing the same, are reasonably or readily accessible to Lessee, and whether or not the need for such repairs occurs as a result of Lessee's use, any prior use, the elements or the age of such portion of the Premises), including, but not limited to, all equipment or facilities, such as plumbing, HVAC equipment, electrical, lighting facilities, boilers, pressure vessels, fire protection system, fixtures, walls (interior and exterior), foundations, ceilings, roofs, roof drainage systems, floor coverings, windows, doors, plate glass, skylights, landscaping, driveways, parking lots, fences, retaining walls, signs, sidewalks and parkways located in, or on, or adjacent to the Premises. Lessee, in keeping the Premises in good order, condition and repair, shall exercise and perform good maintenance practices, specifically including the procurement and maintenance of the service contracts required by Paragraph 7.1(b) below. Lessee's obligations shall include restorations, replacements or renewals when necessary to keep the Premises and all improvements thereon or a part thereof in good order, condition and state of repair. Lessee shall, during the term of this Lease, keep the exterior appearance of the Building in a first-class condition (including, e.g. graffiti removal) consistent with the exterior appearance of other similar facilities of comparable age and size in the vicinity, including, when necessary, the exterior repainting of the Building. Lessee hereby waives all right to make repairs at Lessor's expense under applicable state or local law.

(b) **Service Contracts**. Lessee shall, at Lessee's sole expense, procure and maintain contracts, with copies to Lessor, in customary form and substance for, and with contractors specializing and experienced in the maintenance of the following equipment and improvements, if any, if and when installed on the Premises: (i) HVAC equipment, (ii) boiler, and pressure vessels, (iii) fire extinguishing systems, including fire alarm and/or smoke detection, (iv) landscaping and irrigation systems, (v) roof covering and drains, and (vi) clarifiers. However, Lessor reserves the right, upon notice to Lessee, to procure and maintain any or all of such service contracts, and Lessee shall reimburse Lessor, upon demand, for the cost thereof.

(c) **Failure to Perform**. If Lessee fails to perform Lessee's obligations under this Paragraph 7.1, Lessor may enter upon the Premises after ten (10) days' prior written notice to Lessee (except in the case of an emergency, in which case no notice shall be required), perform such obligations on Lessee's behalf, and put the Premises in good order, condition and repair, and Lessee shall promptly pay to Lessor a sum equal to [***]% of the cost thereof.

7.2 **Utility Installations; Trade Fixtures; Alterations**.

(a) **Definitions**. The term "**Utility Installations**" refers to all floor and window coverings, air and/or vacuum lines, power panels, electrical distribution, security and fire protection systems, communication cabling, lighting fixtures, HVAC equipment, plumbing, and fencing in or on the Premises. The term "**Trade Fixtures**" shall mean Lessee's machinery and equipment that can be removed without doing material damage to the Premises. The term "**Alterations**" shall mean any modification of the improvements, other than Utility Installations or Trade Fixtures, whether by addition or deletion. "**Lessee Owned Alterations and/or Utility Installations**" are defined as Alterations and/or Utility Installations made by Lessee that are not yet owned by Lessor pursuant to Paragraph 7.3(a).

(b) **Consent.** Lessee shall not make any Alterations or Utility Installations to the Premises without Lessor's prior written consent, which consent shall not be unreasonably withheld, conditioned or delayed. Lessee may, however, make non-structural Alterations or Utility Installations to the interior of the Premises (excluding the roof) without such consent but upon notice to Lessor, as long as they are not visible from the outside, do not involve

puncturing, relocating or removing the roof or any existing walls, will not adversely affect the electrical, plumbing, HVAC, and/or life safety systems, do not trigger the requirement for additional modifications and/or improvements to the Premises resulting from Applicable Requirements, such as compliance with Title 24, and the cumulative cost thereof during this Lease as extended does not exceed a sum equal to 3 month's Base Rent in the aggregate or a sum equal to one month's Base Rent in any one year. Notwithstanding the foregoing, Lessee shall not make or permit any roof penetrations and/or install anything on the roof without the prior written approval of Lessor. Lessor may, as a precondition to granting such approval, require Lessee to utilize a contractor chosen and/or approved by Lessor. Any Alterations or Utility Installations that Lessee shall desire to make and which require the consent of the Lessor shall be presented to Lessor in written form with detailed plans. Consent shall be deemed conditioned upon Lessee's: (i) acquiring all applicable governmental permits, (ii) furnishing Lessor with copies of both the permits and the plans and specifications prior to commencement of the work, and (iii) compliance with all conditions of said permits and other Applicable Requirements in a prompt and expeditious manner. Any Alterations or Utility Installations shall be performed in a workmanlike manner with good and sufficient materials and in compliance with Applicable Requirements. Lessee shall promptly upon completion furnish Lessor with as-built plans and specifications. For work which costs an amount in excess of one month's Base Rent, Lessor may condition its consent upon Lessee providing a lien and completion bond in an amount equal to [***]% of the estimated cost of such Alteration or Utility Installation and/or upon Lessee's posting an additional Security Deposit with Lessor.

(c) **Liens; Bonds**. Lessee shall pay, when due, all claims for labor or materials furnished or alleged to have been furnished to or for Lessee or anyone claiming by, through or under Lessee at or for use on the Premises, which claims are or may be secured by any mechanic's or materialmen's lien against the Premises or any interest therein. Lessee shall give Lessor not less than ten (10) days' notice prior to the commencement of any work in, on or about the Premises, and Lessor shall have the right to post notices of non-responsibility. If Lessee shall contest the validity of any such lien, claim or demand, then Lessee shall, at its sole expense defend and protect itself, Lessor and the Premises against the same and shall pay and satisfy any such adverse judgment that may be rendered thereon before the enforcement thereof. If Lessor shall require, Lessee shall furnish a surety bond in an amount equal to [***]% of the amount of such contested lien, claim or demand, indemnifying Lessor against liability for the same. If Lessor elects to participate in any such action, Lessee shall pay Lessor's attorneys' fees and costs.

7.3 **Ownership; Removal; Surrender; and Restoration**.

(a) **Ownership**. Subject to Lessor's right to require removal or elect ownership as hereinafter provided and except as expressly provided herein, all Alterations and Utility Installations made by Lessee shall be the property of Lessee, but considered a part of the Premises. Lessor may, at any time, elect in writing to be the owner of all or any specified part of the Lessee Owned Alterations and Utility Installations. Unless otherwise instructed per paragraph 7.3(b) hereof, all Lessee Owned Alterations and Utility Installations shall, at the expiration or termination of this Lease, become the property of Lessor and be surrendered by Lessee with the Premises.

(b) **Removal**. Lessee may, but is not required to, remove any or all Lessee Owned Alterations or Utility Installations prior to the expiration or termination of this Lease. By delivery to Lessee of written notice from Lessor not earlier than 90 and not later than thirty (30) days prior to the end of the term of this Lease, Lessor may require that any or all Lessee Owned Alterations or Utility Installations be removed by the expiration or termination of this Lease. Lessor may require the removal at any time of all or any part of any Lessee Owned Alterations or Utility Installations made without the required consent.

(c) **Surrender; Restoration**. Lessee shall surrender the Premises by the Expiration Date or any earlier termination date, with all of the improvements, parts and surfaces thereof broom clean and free of debris, and in good operating order, condition and state of repair, ordinary wear and tear and damage caused by Lessor excepted. "Ordinary wear and tear" shall not include any damage or deterioration that would have been prevented by good maintenance practice. Notwithstanding the foregoing, if the Lessee occupies the Premises for 12 months or less, then Lessee shall surrender the Premises in the same condition as delivered to Lessee on the Commencement Date with NO allowance for ordinary wear and tear. Lessee shall repair any damage occasioned by the installation, maintenance or removal of Trade Fixtures, Lessee owned Alterations and/or Utility Installations, furnishings, and equipment as well as the removal of any storage tank installed by or for Lessee. Lessee shall also remove from the Premises any and all Hazardous Substances brought onto the Premises by or for Lessee, or its employees, agents or

contractors any third party (except Hazardous Substances which were deposited via underground migration from areas outside of the Premises) to the level specified in Applicable Requirements. Trade Fixtures shall remain the property of Lessee and shall be removed by Lessee. Any personal property of Lessee not removed on or before the Expiration Date or any earlier termination date shall be deemed to have been abandoned by Lessee and may be disposed of or retained by Lessor as Lessor may desire. The failure by Lessee to timely vacate the Premises pursuant to this Paragraph 7.3(c) without the express written consent of Lessor shall constitute a holdover under the provisions of Paragraph 24 below.

8. **Insurance; Indemnity.**

8.1 **Payment For Insurance**. Lessee shall pay for all insurance required under Paragraphs 8.2, 8.3, and 8.4. Premiums for policy periods commencing prior to or extending beyond the Lease term shall be prorated to correspond to the Lease term. Payment shall be made by Lessee to Lessor within ten (10) days following receipt of an invoice.

8.2 **Liability Insurance and Other Insurance**

(a) **Carried by Lessee.** Lessee agrees to maintain in full force and effect from the date on which Lessee first enters the Premises for any reason, throughout the Lease term, and thereafter so long as Lessee is in occupancy of any part of the Premises, a policy of commercial general liability insurance which insures Lessee's operation and use of the Premises and includes premises liability and products liability (including but not limited to cannabis retail/sales and dispensary use), the following exclusionary endorsements may be attached to this form, along with any standard and customary exclusions: nuclear energy exclusion, asbestos exclusion, and employment practices liability. Lessor, Lessor's managing agent, Lessor's Lender, and any other parties reasonably requested by Lessor shall be named additional insured for ongoing and completed operations on a primary basis and non-contributory Each such policy shall be written by a reputable and financially sound, duly licensed insurance company with an AM Best rating of at least A -. The minimum limits of liability of such insurance shall be $[***] for each such occurrence and in the aggregate. All such insurance coverage shall be written on an occurrence form, except for the products liability coverage which may be written on a claims-made form. Any claims-made coverage shall be in full force from lease commencement date and coverage will be maintained for a period of three (3) years after termination of this Lease and its obligations herein.

Lessee further agrees to maintain a Workers' Compensation and Employers' Liability Insurance policy. The limit of liability as respects Employers' Liability coverage shall be no less than $[***] per accident.

Except for Workers' Compensation and Employers' Liability coverage, Lessee agrees that Lessor and Lessor's managing agent shall be named as additional insureds on a primary and non-contributory basis. A duplicate original or a Certificate of Insurance evidencing the insurance requirements contained in the Lease shall be delivered to Lessor upon the execution of this Lease and then annually in advance of each policies renewal. Copies of additional insured endorsements, if required for coverage of additional insureds, also shall be delivered to Lessor. Lessor shall be given thirty (30) days advance written notice of any required insurance policy cancellation or non-renewals

(b) **Carried by Lessor**. Lessor may, at Lessor's sole cost and expense, maintain liability insurance as described in Paragraph 8.2(a), in addition to, and not in lieu of, the insurance required to be maintained by Lessee. Lessee shall not be named as an additional insured therein.

8.3 **Property Insurance - Building, Improvements and Rental Value**.

(a) **Building and Improvements**. The Insuring Party shall obtain and keep in force a policy or policies in the name of Lessor, with loss payable to Lessor, any ground-lessor, and to any Lender insuring loss or damage to the Premises. The amount of such insurance shall be equal to the full insurable replacement cost of the Premises, as the same shall exist from time to time, or the amount required by any Lender, but in no event more than the commercially reasonable and available insurable value thereof. Should Lessee so choose, Lessee Owned Alterations and Utility Installations, Trade Fixtures, and Lessee's personal property shall be insured by Lessee not by Lessor. If the coverage is available and commercially appropriate, such policy or policies shall insure against all

risks of direct physical loss or damage, excluding the perils of flood and/or earthquake unless required by a Lender, and including coverage for debris removal and for demolition and increased cost of construction to comply with any Applicable Requirements ("***DICC Coverage***"), provided however that DICC Coverage may be subject to limits of no less than $[***] per occurrence. Said policy or policies shall also contain a waiver of subrogation. If such insurance coverage has a deductible clause, the deductible amount shall not exceed $[***] per occurrence for All Other Perils, and Lessee shall be liable for such deductible amount in the event of an Insured Loss.

(b) **Rental Value**. The Insuring Party shall obtain and keep in force a policy or policies in the name of Lessor with loss payable to Lessor and any Lender, insuring the loss of the full Rent for one year with an extended period of indemnity for an additional 180 days ("***Rental Value Insurance***"). The amount of coverage shall be adjusted annually to reflect the projected Rent otherwise payable by Lessee, for the next twelve (12) month period. Lessee shall be liable for any deductible amount in the event of such loss.

8.4 **Lessee's Property; Worker's Compensation Insurance**.

(a) **Property Damage**. Should Lessee so choose, Lessee may obtain and maintain insurance coverage on all of Lessee's personal property, Trade Fixtures, and Lessee Owned Alterations and Utility Installations. Such insurance shall be full replacement cost coverage with a deductible not to exceed $[***] per occurrence. The proceeds from any such insurance shall be used by Lessee for the replacement of personal property, Trade Fixtures and Lessee Owned Alterations and Utility Installations.

(b) **Worker's Compensation Insurance**. Lessee shall obtain and maintain a Worker's Compensation Insurance and Employers' Liability Insurance policy. The limit of liability as respects Employers' Liability coverage shall be no less than $[***] per accident. Such policy shall include a 'Waiver of Subrogation' endorsement. Lessee shall provide Lessor with a copy of such endorsement along with the certificate of insurance or copy of the policy required by paragraph 8.5.

(c) **No Representation of Adequate Coverage**. Lessor makes no representation that the limits or forms of coverage of insurance specified herein are adequate to cover Lessee's property, business operations or obligations under this Lease.

8.5 **Insurance Policies**. Insurance required herein shall be by companies maintaining during the policy term a "General Policyholders Rating" of at least A-, as set forth in the most current issue of "Best's Insurance Guide",. Lessee shall not do or permit to be done anything which invalidates the required insurance policies. Lessee shall, prior to the Commencement Date, deliver to Lessor certificates evidencing the existence and amounts of the required insurance. Lessee shall, prior to the expiration of such policies, furnish Lessor with evidence of renewals, or Lessor may increase his liability insurance coverage and charge the cost thereof to Lessee, which amount shall be payable by Lessee to Lessor upon demand. Such policies shall be for a term of at least one year, or the length of the remaining term of this Lease, whichever is less. If either Party shall fail to procure and maintain the insurance required to be carried by it, the other Party may, but shall not be required to, procure and maintain the same.

8.6 **Waiver of Subrogation**. Without affecting any other rights or remedies, Lessee and Lessor each hereby release and relieve the other, and waive their entire right to recover damages against the other, for loss of or damage to its property arising out of or incident to the perils required to be insured against herein. The effect of such releases and waivers is not limited by the amount of insurance carried or required, or by any deductibles applicable hereto. The Parties agree to have their respective property damage insurance carriers waive any right to subrogation that such companies may have against Lessor or Lessee, as the case may be, so long as the insurance is not invalidated thereby.

8.7 **Indemnity**. Except for Lessor's gross negligence or willful misconduct, Lessee shall indemnify, protect, defend and hold harmless the Premises, Lessor and its agents, Lessor's master or ground lessor, partners and Lenders, from and against any and all claims, loss of rents and/or damages, liens, judgments, penalties, attorneys' and consultants' fees, expenses and/or liabilities arising out of, involving, or in connection with, a Breach of the Lease by Lessee and/or the use and/or occupancy of the Premises by Lessee and/or by Lessee's employees, contractors or invitees. If any action or proceeding is brought against Lessor by reason of any of the foregoing

matters, Lessee shall upon notice defend the same at Lessee's expense by counsel reasonably satisfactory to Lessor and Lessor shall cooperate with Lessee in such defense. Lessor need not have first paid any such claim in order to be defended or indemnified. Lessor shall indemnify, protect, defend and hold Lessee, and any of Lessee's affiliates, subsidiaries, parent companies, and any of their officers, directors, employees, and agents, harmless against any and all Claims arising out of or related to Lessor's gross negligence or willful misconduct.

8.8 **Exemption of Lessor and its Agents from Liability**. Notwithstanding the gross negligence or breach of this Lease by Lessor or its agents, neither Lessor nor its agents shall be liable under any circumstances for: (i) injury or damage to the person or goods, wares, merchandise or other property of Lessee, Lessee's employees, contractors, invitees, customers, or any other person in or about the Premises, whether such damage or injury is caused by or results from fire, steam, electricity, gas, water or rain, indoor air quality, the presence of mold or from the breakage, leakage, obstruction or other defects of pipes, fire sprinklers, wires, appliances, plumbing, HVAC or lighting fixtures, or from any other cause, whether the said injury or damage results from conditions arising upon the Premises or upon other portions of the building of which the Premises are a part, or from other sources or places, (ii) any damages arising from any act or neglect of any other tenant of Lessor or from the failure of Lessor or its agents to enforce the provisions of any other lease, or (iii) injury to Lessee's business or for any loss of income or profit therefrom. Instead, it is intended that Lessee's sole recourse in the event of such damages or injury be to file a claim on the insurance policy(ies) that Lessee is required to maintain pursuant to the provisions of paragraph 8.

8.9 **Failure to Provide Insurance**. If Lessee does not maintain the required insurance during the Term and/or does not provide Lessor with the required binders or certificates evidencing the existence of the required insurance, then, after ten (10) days' prior written notice, Lessor may obtain insurance policies sufficient to meet the requirements herein. Lessee shall pay to Lessor an amount equal to one hundred percent (100%) of the actual costs and expenses of such policies incurred by Lessor upon receipt of an invoice therefor. Lessor obtaining such policies shall in no event constitute a waiver of Lessee's Event of Default with respect to the failure to maintain such insurance, prevent the exercise of any of the other rights and remedies granted hereunder, nor relieve Lessee of its obligation to maintain the insurance specified in this Lease.

9. **Damage or Destruction.**

9.1 **Restoration Following Destruction**.

If any portion of the Premises or any appurtenance thereto shall be damaged or destroyed by fire or other casualty, then, whether or not such damage or destruction shall have been insured, Lessee shall give prompt written notice thereof to Lessor and shall proceed with reasonable diligence to repair or rebuild the same at its sole cost and expense or to replace the same with improvements of no lesser quality or value. To the extent such casualty is covered by the casualty insurance required by the provisions of Paragraph 8.3, Lessee shall not be required to commence restoration until such time as it shall have received insurance proceeds for such fire or other casualty and in any case until it has received all necessary permits.

Any repair or rebuilding following either a total or a partial destruction shall be performed pursuant to Paragraph 9.3, and, if there are insurance proceeds resulting from such damage or destruction and Lessee is in the process of repairing and restoring as provided in this Paragraph and in said Paragraph 9.3, then except as provided in said Paragraph 9.3 such proceeds shall be deposited with a bank or trust company pursuant to Paragraph 9.5 (the "***Depository***") and disbursed in the manner as provided in this Lease. If at any time Lessee shall fail to prosecute such work of repair or rebuilding with diligence and promptness, then Lessor may give to Lessee written notice of such failure and if such failure continues for sixty (60) days thereafter, then Lessor, in addition to all other rights which it may have, may enter upon the Premises, provide labor and/or materials, cause the performance of any contract and/or take such other action as it may deem advisable to prosecute such work. Lessor shall be entitled to reimbursement for its costs and expenses from any insurance proceeds and any other moneys held by the Depository for application to the cost of such work. All reasonable costs and expenses incurred by Lessor in carrying out such work for which it is not reimbursed by the Depository shall be paid by Lessee upon demand, which demand may be made by Lessor periodically as such costs and expenses are incurred, in addition to any damages to which Lessor may be entitled hereunder.

All insurance proceeds in excess of $[***] shall be paid to the Depository.

9.2 **Lessee Obligations Following Destruction**.

Rent shall not abate because of any damage to or destruction of the Premises, or to the appurtenances thereto. Lessee shall continue to perform all of its obligations hereunder, notwithstanding any such damage or destruction.

Any rent insurance proceeds received by the Depository by reason of such damage or destruction shall be applied by it to the payment of the Rent and to premiums for any insurance required to be maintained by Lessee under this Lease. However, such payment shall not relieve Lessee of its obligations to pay punctually all such rents, real estate taxes and insurance premiums should rent insurance proceeds held by the Depository be insufficient to pay the same or if for any reason such rent insurance proceeds are not actually applied by a Depository to the payment of such amounts. All rent insurance proceeds and any balance of any insurance proceeds in excess of amounts utilized for repairs and/or rebuilding (where the damage has been fully repaired or restored) shall be paid to Lessee provided Lessee is not then in monetary default hereunder. In the event that there shall be excess insurance proceeds by reason of the fact that Lessee is precluded from making repairs and/or rebuilding by reason of operation of law (such as zoning changes, etc.) any such excess insurance proceeds shall be paid promptly to Lessor.

9.3 **Restoration after Fire or Condemnation**

Whenever Lessee shall be required to carry out any restoration or repair, Lessee, prior to the commencement of such work, shall comply with the following requirements if such work has a cost in excess of $[***] as determined by an independent architect or contractor selected by Lessee whose report is furnished to Lessor and any lender. If Lessee fails to have such a report promptly prepared then it shall be deemed that such work has a cost in excess of $[***].

1. Lessee shall furnish to Lessor complete plans and specifications for such work.

2. Lessee shall furnish to Lessor a budget for such work setting forth Lessee's good faith estimate of the cost of completion of such work. Such budget shall be updated periodically upon request of Lessor.

3. Lessee, at its sole cost, shall at Lessor's requests furnish to Lessor certified or photostatic copies of all permits and approvals required by law, regulation or ordinance in connection with the commencement and conduct of such work.

4. If the amount of fire insurance proceeds held by the Depository to be applied to pay for the cost of such work pursuant to this Paragraph shall be less than the Lessee's estimate of the cost of completion of such work, then Lessee shall deposit with the Depository an additional sum so that the Depository shall have at all times an amount equal to the estimate of cost of completion of such work.

5. The Depository shall not be required to make disbursements to Lessee more often than at thirty (30) day intervals or in interim amounts of less than [***] Dollars ($[***]), except for the final disbursement. Lessee shall make written request for each disbursement at least seven (7) days in advance, and shall comply with the following requirements in connection with each such disbursement:

A. Lessee shall deliver to the Depository, at the time of request for a disbursement, a certificate (the "***Certificate***") of an independent architect reasonably satisfactory to Lessor (the "***Architect***"), dated not more than ten (10) days prior to the application for withdrawal of funds and accompanied by such invoices, receipts, contracts or other evidence of the amount requested, setting-forth the following:

(i) That the sum then requested to be withdrawn either has been paid by Lessee, or is justly due to persons (whose names and addresses shall be stated) who have furnished services or materials for the work and giving a brief description of such services and materials and stating the progress of the work up to the date of said certificate;

(ii) That the sum then requested to be withdrawn, plus all sums previously withdrawn, does not exceed the cost of the work insofar as actually accomplished up to the date of such certificate, less any contractor holdbacks;

(iii) That all prior disbursements under this Paragraph have been expended solely in payment of costs for the work actually incurred;

(iv) That the remainder of the moneys held by the Depository will be sufficient to pay for the completion of the work in accordance with the estimate thereof.

(v) That no part of the cost of the services and materials described in the foregoing paragraph (i) is being made on the basis of the withdrawal of any funds in any previous or pending application; and

(vi) That, except for the amount requested, there is no outstanding indebtedness known, after due inquiry, in connection with the work which, if unpaid, might become the basis of a mechanic's or other similar lien upon the Premises, unless Lessor is contesting such indebtedness in good faith and agrees to discharge (by bonding or otherwise) any lien once filed.

B. Lessee shall deliver to the Depository satisfactory evidence that the Premises and all materials and all property described in the Certificate are free and clear of all liens, or encumbrances, except (a) liens or encumbrances encumbering the Premises as of the date of this Lease, (b) this Lease and any mortgages made by Lessor and (c) liens for taxes and other charges payable by Lessee which are not delinquent or the payment of which has been deferred by Lessee in full compliance with this Lease. The Depository shall receive a certificate of a title insurance company acceptable to Lessor, dated as of the date of the disbursement confirming the foregoing.

C. Lessee shall deliver to the Depository a survey of the Premises dated as of a date within ten (10) days prior to the advance, showing no encroachments or extensions over set-back lines. Surveys need not be so updated, however, if a foundation survey is provided and the work being performed does not touch or extend beyond the perimeter of the building on the Premises and would not affect any facts shown on an existing survey thereof.

D. There shall be no default by Lessee under the terms of this Lease. At the time of each disbursement, Lessor shall deliver to the Depository a certificate signed by Lessee, certifying to the fulfillment of the conditions of this clause. The Depository may rely on said certificate as being accurate unless, prior to the disbursement then being made, the Depository (where other than Lessor) shall have received a written notice from Lessor, referring to this clause, containing statements contrary to those set forth in said certificate.

Lessor shall receive a copy of each item required to be delivered to Depository hereunder concurrently with delivery to the Depository.

Upon compliance with the foregoing, the Depository shall pay to the persons named in the Certificate, the respective amounts stated in said Certificate to have been paid by it. Lessor shall have the right, from time to time, to inspect the restoration work. If, after all of said work shall be completed in accordance with the terms of this Lease, Lessee shall not be in default thereunder and all governmental approvals required shall have been obtained, there are funds held by the Depository for application to the cost of such work in excess of the amounts withdrawn, then such funds shall be paid out by the Depository as provided herein.

9.4 **Completion by Lessor**.

If, after a default by Lessee, Lessor shall perform any of such work, then Lessor may withdraw funds held by the Depository for application to the cost thereof. In withdrawing such funds Lessor need not comply with any of the preceding requirements, but must only comply with the requirements hereafter set forth. Such withdrawals shall

be made not more often than at thirty (30) day intervals. At the time of each withdrawal request Lessor shall deliver to the Depository, a certificate from either the Architect or other architect selected by Lessor stating that the sum then requested to be withdrawn either has been paid by Lessor, and/or is justly due, to contractors, subcontractors, materialmen, engineers, architects or to other persons (whose names and addresses shall be stated) who have rendered or furnished services or materials for the work, and giving a brief description of such services and materials and the respective amounts so paid or due to each of said persons in respect thereof. Such certificate shall also state that no part of the cost of the services or materials described therein has been or is the basis of a withdrawal of funds in any previous or pending application.

9.5 **Depository**.

In any instance when a Depository is to serve, such Depository shall be selected by Lessor within ten (10) days after written notice by Lessee. The Depository so selected shall be a bank(s) or trust company(ies) authorized to do business in the State of Illinois and having a net worth of $1,000,000,000 or more. Upon the selection of such Depository, Lessor shall give to Lessee written notice thereof. If Lessor shall not select a Depository within ten (10) business days after notice from Lessee, then Lessee may select such Depository, which shall be a bank or trust company or escrow company authorized to do business in the State of Illinois.

Before paying out any moneys pursuant to this Lease, the Depository may retain free of trust its reasonable fees and expenses for acting as Depository. In the event there are not sufficient funds held by the Depository to pay its fees and expenses, Lessee shall pay all such fees and expenses.

The Depository shall be obligated to pay interest at competitive rates on any funds held by it. Any interest paid or received on the funds held in trust by it shall be accumulated with such funds. The Depository shall have no affirmative obligation to ascertain a determination of the amount of, or to effect the collection of, any insurance proceeds or condemnation awards(s), unless it shall have given an express undertaking to do so.

No contractor or any other person whatsoever, other than Lessor, Lessee and any Lender shall have any interest in or rights to any funds held by the Depository.

The Depository shall not commingle its own funds with funds received pursuant to any of the provisions of this Lease but shall hold such funds in trust for the purposes provided in this Lease. The Depository shall not be liable or accountable for any action taken or suffered by it or for any disbursement of funds made in good faith. If Lessor, Lessee and any Lender shall jointly instruct the Depository with regard to the disbursement of any funds held by it, then it shall disburse said funds in accordance with such instructions, and shall not be liable to anyone for having so disbursed said funds in accordance with such instructions.

10. **Real Property Taxes.**

10.1 **Definition**. As used herein, the term "**Real Property Taxes**" shall include any form of assessment; real estate, general, special, ordinary or extraordinary, or rental levy or tax (other than inheritance, personal income or estate taxes); improvement bond; and/or license fee imposed upon or levied against any legal or equitable interest of Lessor in the Premises, Lessor's right to other income therefrom, and/or Lessor's business of leasing, by any authority having the direct or indirect power to tax and where the funds are generated with reference to the Premises address. Real Property Taxes shall also include any tax, fee, levy, assessment or charge, or any increase therein: (i) imposed by reason of events occurring during the term of this Lease, including but not limited to, a change in the ownership of the Premises, and (ii) levied or assessed on machinery or equipment provided by Lessor to Lessee pursuant to this Lease and (iii) any special tax on rents, and any special taxes relative to the Agreed Use.

10.2 **Payment of Taxes**. In addition to Base Rent, Lessee shall pay to Lessor an amount equal to the Real Property Tax payment due at least twenty (20) days prior to the applicable delinquency date. If any such payment shall cover any period of time prior to the commencement or after the expiration or termination of this Lease, Lessee's share of such installment shall be prorated. Lessor may estimate the current Real Property Taxes, and require that such taxes be paid in advance to Lessor by Lessee monthly in advance with the payment of the Base Rent. Such monthly payments shall be an amount equal to the amount of the estimated installment of taxes divided

by the number of months remaining before the month in which said installment becomes delinquent. When the actual amount of the applicable tax bill is known, the amount of such equal monthly advance payments shall be adjusted as required to provide the funds needed to pay the applicable taxes. If the amount collected by Lessor is insufficient to pay such Real Property Taxes when due, Lessee shall pay Lessor, upon demand, such additional sum as is necessary. If the amount collected by Lessor is more than the Real Property Taxes due, Lessor shall credit such additional amount to the next installment(s) of Base Rent due. Advance payments may be intermingled with other moneys of Lessor and shall not bear interest. If requested by Lessor, Lessee shall pay the Real Property Taxes directly to the taxing authority.

10.3 **Personal Property Taxes**. Lessee shall pay, prior to delinquency, all taxes assessed against and levied upon Lessee Owned Alterations, Utility Installations, Trade Fixtures, furnishings, equipment and all personal property of Lessee. When possible, Lessee shall cause its Lessee Owned Alterations and Utility Installations, Trade Fixtures, furnishings, equipment and all other personal property to be assessed and billed separately from the real property of Lessor. If any of Lessee's said property shall be assessed with Lessor's real property, Lessee shall pay Lessor the taxes attributable to Lessee's property within ten (10) days after receipt of a written statement setting forth the taxes applicable to Lessee's property.

11. **Utilities and Services**. Lessee shall pay for all water, gas, heat, light, power, telephone, trash disposal and other utilities and services supplied to the Premises, together with any taxes thereon. If any such services are not separately metered or billed to Lessee, Lessee shall pay a reasonable proportion, to be determined by Lessor, of all charges jointly metered or billed. There shall be no abatement of rent and Lessor shall not be liable in any respect whatsoever for the inadequacy, stoppage, interruption or discontinuance of any utility or service due to riot, strike, labor dispute, breakdown, accident, repair or other cause if beyond Lessor's reasonable control or in cooperation with governmental request or directions. Lessee hereby waives the provisions of any applicable existing or future law, ordinance or governmental regulation permitting the termination of this Lease due to an interruption, failure or inability to provide any services.

12. **Assignment and Subletting.**

12.1 Notwithstanding any other provisions of this Lease, Lessee covenants and agrees that it will not assign this Lease or sublet (which term, without limitation, shall include the granting of concessions, management arrangements and the like) the whole or any part of the Premises without, in each instance, having first received the express written consent of Lessor, which Lessor may withhold in its sole discretion except as expressly provided in this Paragraph 12.1. Lessor's consent to any proposed assignment of this Lease or subletting of all but not less than all of the Premises, shall not be unreasonably withheld, conditioned or delayed, provided that (i) any such assignee or sublessee (or an affiliated entity or parent company thereof) demonstrates the financial capacity to carry out all of the obligations under this Lease or the sublease, as the case may be, (ii) the assignee or sublessee has a business reputation that will not detract from the image of the Building and (iii) in the case of an assignment, the proposed assignee has a tangible net worth reasonably sufficient in Lessor's reasonable judgment to fully perform the obligations of Lessee under this Lease then remaining to be performed or in the case of a sublease, the proposed subtenant (or an affiliated entity or parent company thereof) has a financial net worth reasonably sufficient in Lessor's reasonable judgment to fully perform those obligations of Lessee under this Lease to be performed by the subtenant under the proposed sublease. Any assignment of this Lease or subletting of the whole or any part of the Premises (other than as permitted to an Affiliate of Lessee as set forth below) by Lessee without Lessor's express consent shall be invalid, void and of no force or effect. In any case where Lessor shall consent to such subletting, the Lessee named herein shall remain fully liable for the obligations of Lessee hereunder, including, without limitation, the obligation to pay the Rent and other amounts provided under this Lease. Any such request shall set forth, in detail reasonably satisfactory to Lessor, the identification of the proposed assignee or sublessee, its financial condition and the terms on which the proposed assignment or subletting is to be made, including, without limitation, the Rent or any other consideration to be paid in respect thereto and such request shall be treated as Lessee's warranty in respect of the terms on which the proposed transfer is to be made.

It shall be a condition of the validity of any such assignment or subletting that the assignee or sublessee agrees directly with Lessor, in form satisfactory to Lessor, to be bound by all the obligations of Lessee hereunder, including, without limitation, the obligation to pay Base Rent and other amounts provided for under this Lease and

the covenant against further assignment and subletting except in compliance with the terms of this Lease; any such subletting shall not relieve the Lessee named herein of any of the obligations of Lessee hereunder, and Lessee shall remain fully liable therefor. In no event, however, shall Lessee assign this Lease or sublet the whole or any part of the Premises to a proposed assignee or sublessee which has been judicially declared bankrupt or insolvent according to law, or with respect to which an assignment has been made of property for the benefit of creditors, or with respect to which a receiver, guardian, conservator, trustee in involuntary bankruptcy or similar officer has been appointed to take charge of all or any substantial part of the proposed assignee's or sublessee's property by a court of competent jurisdiction, or with respect to which a petition has been filed for reorganization under any provisions of the Bankruptcy Code now or hereafter enacted, or if a proposed assignee or sublessee has filed a petition for such reorganization, or for arrangements under any provisions of the Bankruptcy Code now or hereafter enacted and providing a plan for a debtor to settle, satisfy or extend the time for the payment of debts.

For the purposes of this Lease, the entering into of any management agreement or any agreement in the nature thereof transferring control or any substantial percentage of the profits and losses from the business operations of the Lessee in the Premises to a person or entity other than the Lessee (or an affiliate, subsidiary, or parent company of Lessee), or otherwise having substantially the same effect, shall be treated for all purposes as an assignment of this Lease and shall be governed by the provisions of this Paragraph 12.

Without limiting Lessor's discretion to grant or withhold its consent to any proposed assignment or subletting, if Lessee notifies Lessor in writing of Lessee's intent to assign this Lease or sublet the entire Premises, except in the case of a Permitted Transfer (as defined below), Lessor shall have the option, exercisable by written notice to Lessee given within thirty (30) days after Lessor's receipt of such notice of intent to assign or sublease, to terminate this Lease as of the date specified in Lessee's request.

Notwithstanding any contrary provisions herein, Lessor's consent shall not be required for an assignment or subletting to an Affiliate of Lessee, and for the purposes hereof, an "**Affiliate of Lessee**" shall mean (x) an entity which controls, is controlled by or under common control with Lessee, (y) a successor corporation related to Lessee by merger, consolidation, non-bankruptcy reorganization, or government action, or (z) a purchaser of substantially all of Lessee's assets at the Premises or stock; provided, however, that in the case of any assignment to an Affiliate of Lessee, the Affiliate shall agree directly with Lessor to be bound by all of the obligations of the Lessee under this Lease. Further, any person or entity owning directly or indirectly, a majority of either the outstanding voting rights or the outstanding ownership interests of Lessee, may assign or otherwise transfer such interests to another person or entity, provided that, in all instances, the combined net worth of the Lessee shall continue to have a net worth following consummation of such transaction that is at least equal to the net worth of Lessee as of the date of the assignment. In the avoidance of doubt, it is agreed that no assignment of this Lease, whether with or without the Lessor's consent, and no subletting of all or any portion of the Premises, again with or without the Lessor's consent, shall act to relieve the Lessee of its obligations under this Lease or release the Guarantor of its obligations under its guaranty. Any assignment or subletting pursuant to this paragraph shall be a "**Permitted Transfer**".

(a) An assignment or subletting without consent, other than a Permitted Transfer, shall, at Lessor's option, be a Default curable after notice per Paragraph 13.1(d), or a noncurable Breach without the necessity of any notice and grace period. If Lessor elects to treat such unapproved assignment or subletting as a noncurable Breach, Lessor may either: (i) terminate this Lease, or (ii) upon thirty (30) days written notice, increase the monthly Base Rent to [***]% of the Base Rent then in effect. Further, in the event of such Breach and rental adjustment, all fixed and non-fixed rental adjustments scheduled during the remainder of the Lease term shall be increased to [***]% of the scheduled adjusted rent.

(b) Lessee's remedy for any breach of Paragraph 12.1 by Lessor shall be limited to compensatory damages and/or injunctive relief.

(c) Lessor may reasonably withhold consent to a proposed assignment or subletting if Lessee is in Breach or Default at the time consent is requested.

(d) Notwithstanding the foregoing, allowing a de minimis portion of the Premises, i.e. 20 square feet or less, to be used by a third party vendor in connection with the installation of a vending machine or payphone shall not constitute a subletting.

12.2 **Terms and Conditions Applicable to Assignment and Subletting**.

(a) Regardless of Lessor's consent, no assignment or subletting shall: (i) be effective without the express written assumption by such assignee or sublessee of the obligations of Lessee under this Lease, (ii) release Lessee of any obligations hereunder, or (iii) alter the primary liability of Lessee for the payment of Rent or for the performance of any other obligations to be performed by Lessee.

(b) Lessor may accept Rent or performance of Lessee's obligations from any person other than Lessee pending approval or disapproval of an assignment. Neither a delay in the approval or disapproval of such assignment nor the acceptance of Rent or performance shall constitute a waiver or estoppel of Lessor's right to exercise its remedies for Lessee's Default or Breach.

(c) Lessor's consent to any assignment or subletting shall not constitute a consent to any subsequent assignment or subletting.

(d) In the event of any Default or Breach by Lessee, Lessor may proceed directly against Lessee, any Guarantors or anyone else responsible for the performance of Lessee's obligations under this Lease, including any assignee or sublessee, without first exhausting Lessor's remedies against any other person or entity responsible therefor to Lessor, or any security held by Lessor.

(e) Each request for consent to an assignment or subletting shall be in writing, accompanied by information relevant to Lessor's determination as to the financial and operational responsibility and appropriateness of the proposed assignee or sublessee, including but not limited to the intended use and/or required modification of the Premises, if any, together with a fee of $1000 as consideration for Lessor's considering and processing said request. Lessee agrees to provide Lessor with such other or additional information and/or documentation as may be reasonably requested. (See also Paragraph 34)

(f) Any assignee of, or sublessee under, this Lease shall, by reason of accepting such assignment, entering into such sublease, or entering into possession of the Premises or any portion thereof, be deemed to have assumed and agreed to conform and comply with each and every term, covenant, condition and obligation herein to be observed or performed by Lessee during the term of said assignment or sublease, other than such obligations as are contrary to or inconsistent with provisions of an assignment or sublease to which Lessor has specifically consented to in writing.

(g) Lessor's consent to any assignment or subletting shall not transfer to the assignee or sublessee any Option granted to the original Lessee by this Lease unless such transfer is specifically consented to by Lessor in writing, provided however the foregoing shall not apply to any Permitted Transfer. (See Paragraph 37.2)

12.3 **Additional Terms and Conditions Applicable to Subletting**. The following terms and conditions shall apply to any subletting by Lessee of all or any part of the Premises and shall be deemed included in all subleases under this Lease whether or not expressly incorporated therein:

(a) Lessee hereby assigns and transfers to Lessor all of Lessee's interest in all Rent payable on any sublease, and Lessor may collect such Rent and apply same toward Lessee's obligations under this Lease; provided, however, that until a Breach shall occur in the performance of Lessee's obligations, Lessee may collect said Rent. In the event that the amount collected by Lessor exceeds Lessee's then outstanding obligations any such excess shall be refunded to Lessee. Lessor shall not, by reason of the foregoing or any assignment of such sublease, nor by reason of the collection of Rent, be deemed liable to the sublessee for any failure of Lessee to perform and comply with any of Lessee's obligations to such sublessee. Lessee hereby irrevocably authorizes and directs any such sublessee, upon receipt of a written notice from Lessor stating that a Breach exists in the performance of Lessee's obligations under this Lease, to pay to Lessor all Rent due and to become due under the sublease. Sublessee shall rely upon any such

notice from Lessor and shall pay all Rents to Lessor without any obligation or right to inquire as to whether such Breach exists, notwithstanding any claim from Lessee to the contrary.

(b) In the event of a Breach by Lessee, Lessor may, at its option, require sublessee to attorn to Lessor, in which event Lessor shall undertake the obligations of the sublessor under such sublease from the time of the exercise of said option to the expiration of such sublease; provided, however, Lessor shall not be liable for any prepaid rents or security deposit paid by such sublessee to such sublessor or for any prior Defaults or Breaches of such sublessor.

(c) Any matter requiring the consent of the sublessor under a sublease shall also require the consent of Lessor.

(d) No sublessee shall further assign or sublet all or any part of the Premises without Lessor's prior written consent.

(e) Lessor shall deliver a copy of any notice of Default or Breach by Lessee to the sublessee, who shall have the right to cure the Default of Lessee within the grace period, if any, specified in such notice. The sublessee shall have a right of reimbursement and offset from and against Lessee for any such Defaults cured by the sublessee.

13. **Default; Breach; Remedies.**

13.1 **Default; Breach**. A "**Default**" is defined as a failure by the Lessee to comply with or perform any of the terms, covenants, conditions or Rules and Regulations under this Lease. A "Breach" is defined as the occurrence of one or more of the following Defaults, and the failure of Lessee to cure such Default within any applicable grace period:

(a) The abandonment of the Premises; or the vacating of the Premises without providing a commercially reasonable level of security, or where the coverage of the property insurance described in Paragraph 8.3 is jeopardized as a result thereof, or without providing reasonable assurances to minimize potential vandalism.

(b) The failure of Lessee to make any payment of Rent or any Security Deposit required to be made by Lessee hereunder, whether to Lessor or to a third party, when due, to provide reasonable evidence of insurance or surety bond, or to fulfill any obligation under this Lease which endangers or threatens life or property, where such failure continues for a period of 3 business days following written notice to Lessee. THE ACCEPTANCE BY LESSOR OF A PARTIAL PAYMENT OF RENT OR SECURITY DEPOSIT SHALL NOT CONSTITUTE A WAIVER OF ANY OF LESSOR'S RIGHTS, INCLUDING LESSOR'S RIGHT TO RECOVER POSSESSION OF THE PREMISES.

(c) The failure of Lessee to allow Lessor and/or its agents access to the Premises or the commission of waste, act or acts constituting public or private nuisance, and/or an illegal activity on the Premises by Lessee, subject to Paragraph 51, where such actions continue for a period of 3 business days following written notice to Lessee. In the event that Lessee commits waste, a nuisance or an illegal activity a second time then, subject to Paragraph 51, the Lessor may elect to treat such conduct as a non-curable Breach rather than a Default.

(d) The failure by Lessee to provide (i) reasonable written evidence of compliance with Applicable Requirements, (ii) the service contracts, (iii) the rescission of an unauthorized assignment or subletting, (iv) an Estoppel Certificate or financial statements, (v) a requested subordination, (vi) evidence concerning any guaranty and/or Guarantor, (vii) any document requested under Paragraph 42, (viii) material safety data sheets (MSDS), or (ix) any other documentation or information which Lessor may reasonably require of Lessee under the terms of this Lease, where any such failure continues for a period of 10 days following written notice to Lessee.

(e) A Default by Lessee as to the terms, covenants, conditions or provisions of this Lease, or of the rules adopted under Paragraph 40 hereof, other than those described in subparagraphs 13.1(a), (b), (c) or (d), above, where such Default continues for a period of thirty (30) days after written notice; provided, however, that if the nature of Lessee's Default is such that more than thirty (30) days are reasonably required for its cure, then it shall

not be deemed to be a Breach if Lessee commences such cure within said thirty (30) day period and thereafter diligently prosecutes such cure to completion.

(f) The occurrence of any of the following events: (i) the making of any general arrangement or assignment for the benefit of creditors; (ii) becoming a "debtor" as defined in 11 U.S.C. § 101 or any successor statute thereto (unless, in the case of a petition filed against Lessee, the same is dismissed within sixty (60) days); (iii) the appointment of a trustee or receiver to take possession of substantially all of Lessee's assets located at the Premises or of Lessee's interest in this Lease, where possession is not restored to Lessee within thirty (30) days; or (iv) the attachment, execution or other judicial seizure of substantially all of Lessee's assets located at the Premises or of Lessee's interest in this Lease, where such seizure is not discharged within thirty (30) days; provided, however, in the event that any provision of this subparagraph is contrary to any applicable law, such provision shall be of no force or effect, and not affect the validity of the remaining provisions.

(g) The discovery that any financial statement of Lessee or of any Guarantor given to Lessor was materially false.

(h) If the performance of Lessee's obligations under this Lease is guaranteed: (i) the death of a Guarantor, (ii) the termination of a Guarantor's liability with respect to this Lease other than in accordance with the terms of such guaranty, (iii) a Guarantor's becoming insolvent or the subject of a bankruptcy filing, (iv) a Guarantor's refusal to honor the guaranty, or (v) a Guarantor's breach of its guaranty obligation on an anticipatory basis, and Lessee's failure, within sixty (60) days following written notice of any such event, to provide written alternative assurance or security, which, when coupled with the then existing resources of Lessee, equals or exceeds the combined financial resources of Lessee and the Guarantors that existed at the time of execution of this Lease.

13.2 **Remedies**. If Lessee fails to perform any of its affirmative duties or obligations, within thirty (30) days after written notice (or in case of an emergency, without notice), Lessor may, at its option, perform such duty or obligation on Lessee's behalf, including but not limited to the obtaining of reasonably required bonds, insurance policies, or governmental licenses, permits or approvals. Lessee shall pay to Lessor an amount equal to [***]% of the costs and expenses incurred by Lessor in such performance upon receipt of an invoice therefor. In the event of a Breach, Lessor may, with or without further notice or demand, and without limiting Lessor in the exercise of any right or remedy which Lessor may have by reason of such Breach:

(a) Terminate Lessee's right to possession of the Premises by any lawful means, in which case this Lease shall terminate and Lessee shall immediately surrender possession to Lessor. In such event Lessor shall be entitled to recover from Lessee: (i) the unpaid Rent which had been earned at the time of termination; (ii) the worth at the time of award of the amount by which the unpaid rent which would have been earned after termination until the time of award exceeds the amount of such rental loss that the Lessee proves could have been reasonably avoided; (iii) the worth at the time of award of the amount by which the unpaid rent for the balance of the term after the time of award exceeds the amount of such rental loss that the Lessee proves could be reasonably avoided; and (iv) any other amount necessary to compensate Lessor for all the detriment proximately caused by the Lessee's failure to perform its obligations under this Lease or which in the ordinary course of things would be likely to result therefrom, including but not limited to the cost of recovering possession of the Premises, expenses of reletting, including necessary renovation and alteration of the Premises, reasonable attorneys' fees, and that portion of any leasing commission paid by Lessor in connection with this Lease applicable to the unexpired term of this Lease. The worth at the time of award of the amount referred to in provision (iii) of the immediately preceding sentence shall be computed by discounting such amount at the discount rate of the Federal Reserve Bank of the District within which the Premises are located at the time of award plus one percent. Efforts by Lessor to mitigate damages caused by Lessee's Breach of this Lease shall not waive Lessor's right to recover any damages to which Lessor is otherwise entitled. If termination of this Lease is obtained through the provisional remedy of unlawful detainer, Lessor shall have the right to recover in such proceeding any unpaid Rent and damages as are recoverable therein, or Lessor may reserve the right to recover all or any part thereof in a separate suit. If a notice and grace period required under Paragraph 13.1 was not previously given, a notice to pay rent or quit, or to perform or quit given to Lessee under the unlawful detainer statute shall also constitute the notice required by Paragraph 13.1. In such case, the applicable grace period required by Paragraph 13.1 and the unlawful detainer statute shall run concurrently, and the failure of Lessee to cure the Default within the greater of the two such grace periods shall constitute both an

unlawful detainer and a Breach of this Lease entitling Lessor to the remedies provided for in this Lease and/or by said statute.

(b) Continue the Lease and Lessee's right to possession and recover the Rent as it becomes due, in which event Lessee may sublet or assign, subject only to reasonable limitations. Lessee acknowledges that the limitations on subletting and assignment set forth in Paragraph 12 herein are reasonable. Acts of maintenance, efforts to relet, and/or the appointment of a receiver to protect the Lessor's interests, shall not constitute a termination of the Lessee's right to possession.

(c) Pursue any other remedy now or hereafter available under the laws or judicial decisions of the state wherein the Premises are located. The expiration or termination of this Lease and/or the termination of Lessee's right to possession shall not relieve Lessee from liability under any indemnity provisions of this Lease as to matters occurring or accruing during the term hereof or by reason of Lessee's occupancy of the Premises.

(d) Lessee waives any right of redemption or relief from forfeiture under any other present or future law in the event Lessee is evicted and Lessor takes possession of the Property by reason of a default.

13.3 **Late Charges**. Lessee hereby acknowledges that late payment by Lessee of Rent will cause Lessor to incur costs not contemplated by this Lease, the exact amount of which will be extremely difficult to ascertain. Such costs include, but are not limited to, processing and accounting charges, and late charges which may be imposed upon Lessor by any Lender. Accordingly, if any Rent shall not be received by Lessor within five (5) days after such amount shall be due, then, without any requirement for notice to Lessee, Lessee shall immediately pay to Lessor a one-time late charge equal to [***]% of each such overdue amount or $100, whichever is greater. The Parties hereby agree that such late charge represents a fair and reasonable estimate of the costs Lessor will incur by reason of such late payment. Acceptance of such late charge by Lessor shall in no event constitute a waiver of Lessee's Default or Breach with respect to such overdue amount, nor prevent the exercise of any of the other rights and remedies granted hereunder. In the event that a late charge is payable hereunder, whether or not collected, for 3 consecutive installments of Base Rent, then notwithstanding any provision of this Lease to the contrary, Base Rent shall, at Lessor's option, become due and payable quarterly in advance.

13.4 **Interest**. Any monetary payment due Lessor hereunder, other than late charges, not received by Lessor, when due shall bear interest from the 31st day after it was due. The interest ("***Interest***") charged shall be computed at the rate of [***]% per annum but shall not exceed the maximum rate allowed by law. Interest is payable in addition to the potential late charge provided for in Paragraph 13.3.

13.5 **Breach by Lessor**. Lessor shall not be deemed in breach of this Lease unless Lessor fails within a reasonable time to perform an obligation required to be performed by Lessor. For purposes of this Paragraph, a reasonable time shall in no event be more less than thirty (30) days after receipt by Lessor, and any Lender whose name and address shall have been furnished to Lessee in writing for such purpose, of written notice specifying wherein such obligation of Lessor has not been performed; provided, however, that if the nature of Lessor's obligation is such that more than thirty (30) days are reasonably required for its performance, then Lessor shall not be in breach if performance is commenced within such thirty (30) day period and thereafter diligently pursued to completion. In no event shall Lessor be liable for punitive, consequential, special or indirect damages or loss of profits or the like.

14. **Condemnation**. If the Premises or any portion thereof are taken under the power of eminent domain or sold under the threat of the exercise of said power (collectively "***Condemnation***"), this Lease shall terminate as to the part taken as of the date the condemning authority takes title or possession, whichever first occurs. Condemnation awards and/or payments shall be the property of Lessor, whether such award shall be made as compensation for diminution in value of the leasehold, the value of the part taken, or for severance damages; provided, however, that Lessee shall be entitled to any compensation paid by the condemnor for Lessee's relocation expenses, loss of business goodwill and/or Trade Fixtures, without regard to whether or not this Lease is terminated pursuant to the provisions of this Paragraph, provided that no separate award to Lessee shall reduce Lessor's award. In the event that this Lease is not terminated by reason of the Condemnation, Lessor shall repair any damage to the Premises caused by such Condemnation, but shall not be obligated to expend more than the award in such

restoration. Further, if any substantial part of the Premises are taken or condemned, Lessee may, at its option, terminate this Lease as of the date the condemning authority takes title or possession, whichever first occurs. For purposes of the preceding sentence a "substantial part of the Premises" shall mean (i) 20% or more of the total floor area of the Premises or (ii) any portion of the Premises, the loss of which materially and adversely impacts (x) Lessee's ability to use the Premises for its Agreed Use, (y) the accessibility of the Premises, or (z) the visibility of the Premises. If Lessee does not terminate this Lease in accordance with the foregoing, this Lease shall remain in full force and effect as to the portion of the Premises remaining, except that the Base Rent shall be reduced in proportion to the reduction in floor area of the Premises.

15. **Estoppel Certificates; Financial Statements.**

(a) Lessee shall within ten (10) business days after written notice from Lessor execute, acknowledge and deliver to Lessor a statement in writing in form similar to the then most current "Estoppel Certificate" form published by AIR CRE or such other form as Lessor shall reasonably require, plus such additional information, confirmation and/or statements as may be reasonably requested by Lessor.

(b) If Lessee shall fail to execute or deliver the Estoppel Certificate within such 10-day period, Lessor may execute an Estoppel Certificate stating that: (i) the Lease is in full force and effect without modification except as may be represented by Lessor, (ii) there are no uncured defaults in Lessor's performance, and (iii) not more than one month's rent has been paid in advance. Prospective purchasers and encumbrancers may rely upon Lessor's Estoppel Certificate, and Lessee shall be estopped from denying the truth of the facts contained in said Certificate. In addition, Lessee acknowledges that any failure on its part to provide such an Estoppel Certificate will expose Lessor to risks and potentially cause Lessor to incur costs not contemplated by this Lease, the extent of which will be extremely difficult to ascertain. Accordingly, should the Lessee fail to execute and/or deliver a requested Estoppel Certificate in a timely fashion the monthly Base Rent shall be automatically increased, without any requirement for notice to Lessee, by an amount equal to [***]% of the then existing Base Rent or $100, whichever is greater until the Estoppel Certificate is provided for remainder of the Lease. The Parties agree that such increase in Base Rent represents fair and reasonable compensation for the additional risk/costs that Lessor will incur by reason of Lessee's failure to provide the Estoppel Certificate. Such increase in Base Rent shall in no event constitute a waiver of Lessee's Default or Breach with respect to the failure to provide the Estoppel Certificate nor prevent the exercise of any of the other rights and remedies granted hereunder.

(c) Lessee and all Guarantors shall, within ten (10) days after a request from Lessor, deliver to Lessor such financial statements as are reasonably required by Lessor to verify the net worth of Lessee, any Guarantor of Lessee's obligations under this Lease or an affiliate or parent company of Lessee as Lessor may request. Lessee represents and warrants to Lessor that all such financial statements provided in connection with this Lease including, without limitation, any that have been provided prior to the date of this Lease, are true, complete and correct as of the date thereof. Lessee further agrees to cooperate with any request by Lessor for Lessee's written permission or other cooperation in connection with Lessor's obtaining a credit report or similar information regarding Lessee and/or Lessee's principals or Guarantor from third-party sources; and in this regard, Lessee, to the maximum extent permitted by applicable law, hereby waives any obligations to Lessee which Lessor may otherwise have with regard to Lessor's seeking and/or obtaining any such third-party reports or information. Lessor anticipates that its request for the additional information prescribed in this Paragraph 15(c) will be limited either to a potential sale or financing of the Premises or of all or a portion of the Premises or to Lessor's concern as to the continuing financial ability of Lessee to perform its obligations under this Lease or of Guarantor to perform the obligations under the Guaranty. Lessee acknowledges and agrees that any financial statements submitted by Lessee to Lessor at any time in connection with this Lease are being relied upon by Lessor in entering into this Lease and extending any credit to Lessee and, to the extent that such financial statements, or any financial statements provided by Lessee to Lessor subsequent to the execution of this Lease, are materially false or incorrect, it shall be deemed a Lessee Default, and Lessor, upon or after discovery of such, may terminate this Lease or pursue any other applicable default remedies set forth in this Lease. Further, Lessor specifically reserves all rights it may have to object to a discharge or reorganization by Lessee or any Guarantor in any bankruptcy proceeding filed by or against Lessee or any Guarantor based upon such materially false or incorrect financial statements.

(d) If Lessor desires to finance, refinance, or sell the Premises, or any part thereof, Lessee and all Guarantors shall within ten (10) days after written notice from Lessor deliver to any potential lender or purchaser designated by Lessor such financial statements as may be reasonably required by such lender or purchaser, including but not limited to Lessee's financial statements for the past 2 years, provided such request is not made more than once per calendar year. All such financial statements shall be received by Lessor and such lender or purchaser in confidence and shall be used only for the purposes herein set forth.

16. **Definition of Lessor**. The term "Lessor" as used herein shall mean the owner or owners at the time in question of the fee title to the Premises, or, if this is a sublease, of the Lessee's interest in the prior lease. In the event of a transfer of Lessor's title or interest in the Premises or this Lease, Lessor shall deliver to the transferee or assignee (in cash or by credit) any unused Security Deposit held by Lessor. Upon such transfer or assignment and delivery of the Security Deposit, as aforesaid, the prior Lessor shall be relieved of all liability with respect to the obligations and/or covenants under this Lease thereafter to be performed by the Lessor. Subject to the foregoing, the obligations and/or covenants in this Lease to be performed by the Lessor shall be binding only upon the Lessor as hereinabove defined.

17. **Severability**. The invalidity of any provision of this Lease, as determined by a court of competent jurisdiction, shall in no way affect the validity of any other provision hereof.

18. **Days**. Unless otherwise specifically indicated to the contrary, the word "days" as used in this Lease shall mean and refer to calendar days.

19. **Limitation on Liability**. The obligations of Lessor under this Lease shall not constitute personal obligations of Lessor, or its partners, members, directors, officers or shareholders, and Lessee shall look to the Premises, and to no other assets of Lessor, for the satisfaction of any liability of Lessor with respect to this Lease, and shall not seek recourse against Lessor's partners, members, directors, officers or shareholders, or any of their personal assets for such satisfaction.

20. **Time of Essence**. Time is of the essence with respect to the performance of all obligations to be performed or observed by the Parties under this Lease.

21. **No Prior or Other Agreements; Broker Disclaimer**. This Lease contains all agreements between the Parties with respect to any matter mentioned herein, and no other prior or contemporaneous agreement or understanding shall be effective. Lessor and Lessee each represents and warrants to the Brokers that it has made, and is relying solely upon, its own investigation as to the nature, quality, character and financial responsibility of the other Party to this Lease and as to the use, nature, quality and character of the Premises. Brokers have no responsibility with respect thereto or with respect to any default or breach hereof by either Party.

22. **Notices.**

22.1 **Notice Requirements**. All notices required or permitted by this Lease or applicable law shall be in writing and may be delivered in person (by hand or by courier) or may be sent by regular, certified or registered mail or U.S. Postal Service Express Mail, with postage prepaid, or by facsimile transmission, or by email, and shall be deemed sufficiently given if served in a manner specified in this Paragraph 22. Each Party's present address for delivery or mailing of notices is set forth below. Either Party may by written notice to the other specify a different address for notice, except that upon Lessee's taking possession of the Premises, the Premises shall constitute

Lessee's address for notice. A copy of all notices to Lessor shall be concurrently transmitted to such party or parties at such addresses as Lessor may from time to time hereafter designate in writing.

IF TO LESSEE:

HealthCentral, LLC
c/o Ascend Wellness Holdings
[REDACTED]
[REDACTED]
Attention: Dan Neville
Email: [REDACTED]

IF TO LESSOR:

c/o Treehouse Real Estate Investment Trust, Inc.
10115 Jefferson Blvd.
Culver City, CA 90232
Attn: Chris Ganan
Email: [REDACTED]

with a copy to:

Raines Feldman LLP
1800 Avenue of the Stars, 12th Floor
Los Angeles, CA 90067
Attn: Andrew H. Raines
Telephone: (310) 440-4100
Email: ARaines@raineslaw.com

22.2 **Date of Notice**. Any notice sent by registered or certified mail, return receipt requested, shall be deemed given on the date of delivery shown on the receipt card, or if no delivery date is shown, the postmark thereon. If sent by regular mail the notice shall be deemed given 72 hours after the same is addressed as required herein and mailed with postage prepaid. Notices delivered by United States Express Mail or overnight courier that guarantees next day delivery shall be deemed given 24 hours after delivery of the same to the Postal Service or courier. Notices delivered by hand, or transmitted by facsimile transmission or by email shall be deemed delivered upon actual receipt. If notice is received on a Saturday, Sunday or legal holiday, it shall be deemed received on the next business day.

23. **Waivers.**

(a) No waiver by Lessor of the Default or Breach of any term, covenant or condition hereof by Lessee, shall be deemed a waiver of any other term, covenant or condition hereof, or of any subsequent Default or Breach by Lessee of the same or of any other term, covenant or condition hereof. Lessor's consent to, or approval of, any act shall not be deemed to render unnecessary the obtaining of Lessor's consent to, or approval of, any subsequent or similar act by Lessee, or be construed as the basis of an estoppel to enforce the provision or provisions of this Lease requiring such consent.

(b) The acceptance of Rent by Lessor shall not be a waiver of any Default or Breach by Lessee. Any payment by Lessee may be accepted by Lessor on account of monies or damages due Lessor, notwithstanding any qualifying statements or conditions made by Lessee in connection therewith, which such statements and/or conditions shall be of no force or effect whatsoever unless specifically agreed to in writing by Lessor at or before the time of deposit of such payment.

(c) THE PARTIES AGREE THAT THE TERMS OF THIS LEASE SHALL GOVERN WITH REGARD TO ALL MATTERS RELATED THERETO AND HEREBY WAIVE THE PROVISIONS OF ANY

PRESENT OR FUTURE STATUTE TO THE EXTENT THAT SUCH STATUTE IS INCONSISTENT WITH THIS LEASE.

24. **No Right To Holdover**. Lessee has no right to retain possession of the Premises or any part thereof beyond the expiration or termination of this Lease. In the event that Lessee holds over, then the Base Rent shall be increased to [***]% of the Base Rent applicable immediately preceding the expiration or termination. Holdover Base Rent shall be calculated on monthly basis. Nothing contained herein shall be construed as consent by Lessor to any holding over by Lessee.

25. **Cumulative Remedies**. No remedy or election hereunder shall be deemed exclusive but shall, wherever possible, be cumulative with all other remedies at law or in equity.

26. **Covenants and Conditions; Construction of Agreement**. All provisions of this Lease to be observed or performed by Lessee are both covenants and conditions. In construing this Lease, all headings and titles are for the convenience of the Parties only and shall not be considered a part of this Lease. Whenever required by the context, the singular shall include the plural and vice versa. This Lease shall not be construed as if prepared by one of the Parties, but rather according to its fair meaning as a whole, as if both Parties had prepared it.

27. **Binding Effect; Choice of Law**. This Lease shall be binding upon the Parties, their personal representatives, successors and assigns and be governed by the laws of the State in which the Premises are located. Any litigation between the Parties hereto concerning this Lease shall be initiated in the county in which the Premises are located.

28. **Subordination; Attornment.**

28.1 **Subordination**. This Lease and any Option granted hereby shall be subject and subordinate to any ground lease, mortgage, deed of trust, or other hypothecation or security device (collectively, "***Security Device***"), now or hereafter placed upon the Premises, to any and all advances made on the security thereof, and to all renewals, modifications, and extensions thereof. Lessee agrees that the holders of any such Security Devices (in this Lease together referred to as "**Lender**") shall have no liability or obligation to perform any of the obligations of Lessor under this Lease. Any Lender may elect to have this Lease and/or any Option granted hereby superior to the lien of its Security Device by giving written notice thereof to Lessee, whereupon this Lease and such Options shall be deemed prior to such Security Device, notwithstanding the relative dates of the documentation or recordation thereof.

28.2 **Attornment**. In the event that Lessor transfers title to the Premises, or the Premises are acquired by another upon the foreclosure or termination of a Security Device to which this Lease is subordinated (i) Lessee shall attorn to such new owner, and upon request, enter into a new lease, containing all of the terms and provisions of this Lease, with such new owner for the remainder of the term hereof, or, at the election of the new owner, this Lease will automatically become a new lease between Lessee and such new owner, and (ii) Lessor shall thereafter be relieved of any further obligations hereunder and such new owner shall assume all of Lessor's obligations, except that such new owner shall not: (a) be liable for any act or omission of any prior lessor or with respect to events occurring prior to acquisition of ownership; (b) be subject to any offsets or defenses which Lessee might have against any prior lessor, (c) be bound by prepayment of more than one month's rent, or (d) be liable for the return of any security deposit paid to any prior lessor which was not paid or credited to such new owner.

28.3 **Self-Executing**. The agreements contained in this Paragraph 30 shall be effective without the execution of any further documents; provided, however, that, upon written request from Lessor or a Lender in connection with a sale, financing or refinancing of the Premises, Lessee and Lessor shall execute such further writings as may be reasonably required to separately document any subordination and/or attornment provided for herein.

29. **Attorneys' Fees**. If any Party or Broker brings an action or proceeding involving the Premises whether founded in tort, contract or equity, or to declare rights hereunder, the Prevailing Party (as hereafter defined) in any such proceeding, action, or appeal thereon, shall be entitled to reasonable attorneys' fees. Such fees may be awarded in the same suit or recovered in a separate suit, whether or not such action or proceeding is pursued to decision or

judgment. The term, "**Prevailing Party**" shall include, without limitation, a Party or Broker who substantially obtains or defeats the relief sought, as the case may be, whether by compromise, settlement, judgment, or the abandonment by the other Party or Broker of its claim or defense. The attorneys' fees award shall not be computed in accordance with any court fee schedule, but shall be such as to fully reimburse all attorneys' fees reasonably incurred. In addition, Lessor shall be entitled to attorneys' fees, costs and expenses incurred in the preparation and service of statutory 3-day notices of Default and consultations in connection therewith, whether or not a legal action is subsequently commenced in connection with such Default or resulting Breach ($250 is a reasonable minimum per occurrence for such services and consultation).

30. **Lessor's Access; Showing Premises; Repairs**. Lessor and Lessor's agents shall have the right to enter the Premises at any time, in the case of an emergency, and otherwise at reasonable times after reasonable prior notice for the purpose of showing the same to prospective purchasers, lenders, or tenants, and making such alterations, repairs, improvements or additions to the Premises as Lessor may deem necessary or desirable and the erecting, using and maintaining of utilities, services, pipes and conduits through the Premises and/or other premises as long as there is no material adverse effect on Lessee's use of the Premises. All such activities shall be without abatement of rent or liability to Lessee. If approval from any state or local governmental regulator or any other governmental authorities is necessary in order for Lessor or any mortgagee to inspect the Premises, Lessee shall use its best efforts to support obtaining such approvals for inspection, time being of the essence.

31. **Auctions**. Lessee shall not conduct, nor permit to be conducted, any auction upon the Premises without Lessor's prior written consent. Lessor shall not be obligated to exercise any standard of reasonableness in determining whether to permit an auction.

32. **Signs**. Lessor may place on the Premises ordinary "For Sale" signs at any time and ordinary "For Lease" signs during the last 6 months of the term hereof. Except as permitted in Paragraph 53, Lessee shall not place any sign upon the Premises without Lessor's prior written consent. All signs must comply with all Applicable Requirements.

33. **Termination; Merger**. Unless specifically stated otherwise in writing by Lessor, the voluntary or other surrender of this Lease by Lessee, the mutual termination or cancellation hereof, or a termination hereof by Lessor for Breach by Lessee, shall automatically terminate any sublease or lesser estate in the Premises; provided, however, that Lessor may elect to continue any one or all existing subtenancies. Lessor's failure within 10 days following any such event to elect to the contrary by written notice to the holder of any such lesser interest, shall constitute Lessor's election to have such event constitute the termination of such interest.

34. **Consents**. All requests for consent shall be in writing. Except as otherwise provided herein, wherever in this Lease the consent of a Party is required to an act by or for the other Party, such consent shall not be unreasonably withheld or delayed. Lessor's actual reasonable costs and expenses (including but not limited to architects', attorneys', engineers' and other consultants' fees) incurred in the consideration of, or response to, a request by Lessee for any Lessor consent, including but not limited to consents to an assignment, a subletting or the presence or use of a Hazardous Substance, shall be paid by Lessee upon receipt of an invoice and supporting documentation therefor. Lessor's consent to any act, assignment or subletting shall not constitute an acknowledgment that no Default or Breach by Lessee of this Lease exists, nor shall such consent be deemed a waiver of any then existing Default or Breach, except as may be otherwise specifically stated in writing by Lessor at the time of such consent. The failure to specify herein any particular condition to Lessor's consent shall not preclude the imposition by Lessor at the time of consent of such further or other conditions as are then reasonable with reference to the particular matter for which consent is being given. In the event that either Party disagrees with any determination made by the other hereunder and reasonably requests the reasons for such determination, the determining party shall furnish its reasons in writing and in reasonable detail within ten (10) business days following such request.

35. **Guarantor.**

35.1 **Execution**. The Guarantors shall each execute a guaranty in the form attached hereto, and each such Guarantor shall have the same obligations as Lessee under this Lease.

35.2 **Default**. It shall constitute a Default of the Lessee if any Guarantor fails or refuses, upon request to provide: (a) evidence of the execution of the guaranty, including the authority of the party signing on Guarantor's behalf to obligate Guarantor, and in the case of a corporate Guarantor, a certified copy of a resolution of its board of directors authorizing the making of such guaranty, (b) current financial statements, (c) an Estoppel Certificate, or (d) written confirmation that the guaranty is still in effect.

36. **Quiet Possession**. Subject to payment by Lessee of the Rent and performance of all of the covenants, conditions and provisions on Lessee's part to be observed and performed under this Lease, Lessee shall have quiet possession and quiet enjoyment of the Premises during the term hereof.

37. **Options**. If Lessee is granted any Option, as defined below, then the following provisions shall apply.

37.1 **Definition**. "**Option**" shall mean: (a) the right to extend or reduce the term of or renew this Lease or to extend or reduce the term of or renew any lease that Lessee has on other property of Lessor; or (b) the right of first refusal or first offer to lease either the Premises or other property of Lessor.

37.2 **Options Personal To Original Lessee**. Any Option granted to Lessee in this Lease is personal to the original Lessee, and cannot be assigned except in connection with a Permitted Transfer, or exercised by anyone other than said original Lessee (or a transferee pursuant to a Permitted Transfer) and only while the original Lessee (or a transferee pursuant to a Permitted Transfer) is in full possession of the Premises.

37.3 **Multiple Options**. In the event that Lessee has any multiple Options to extend or renew this Lease, a later Option cannot be exercised unless the prior Options have been validly exercised.

37.4 **Effect of Default on Options**.

(a) Lessee shall have no right to exercise an Option: (i) during the period commencing with the giving of any notice of Default and continuing until said Default is cured, (ii) during the period of time any Rent is unpaid (without regard to whether notice thereof is given Lessee), (iii) during the time Lessee is in Breach of this Lease, or (iv) in the event that Lessee has been given 3 or more notices of separate Default on 3 separate occasions, whether or not the Defaults are cured, during the 12 month period immediately preceding the exercise of the Option.

(b) The period of time within which an Option may be exercised shall not be extended or enlarged by reason of Lessee's inability to exercise an Option because of the provisions of Paragraph 37.4(a).

(c) An Option shall terminate and be of no further force or effect, notwithstanding Lessee's due and timely exercise of the Option, if, after such exercise and prior to the commencement of the extended term or completion of the purchase, (i) Lessee fails to pay Rent for a period of thirty (30) days after such Rent becomes due (without any necessity of Lessor to give notice thereof), or (ii) if Lessee commits a Breach of this Lease.

38. **Multiple Buildings**. If the Premises are a part of a group of buildings controlled by Lessor, Lessee agrees that it will abide by and conform to all reasonable rules and regulations which Lessor may make from time to time for the management, safety, and care of said properties, including the care and cleanliness of the grounds and including the parking, loading and unloading of vehicles, and to cause its employees, suppliers, shippers, customers, contractors and invitees to so abide and conform. Lessee also agrees to pay its fair share of common expenses incurred in connection with such rules and regulations.

39. **Security Measures**. Lessee hereby acknowledges that the Rent payable to Lessor hereunder does not include the cost of guard service or other security measures, and that Lessor shall have no obligation whatsoever to provide same. Lessee assumes all responsibility for the protection of the Premises, Lessee, its agents and invitees and their property from the acts of third parties. Lessee acknowledges that, in all events, Lessee is responsible for providing security to the Premises, and Lessee shall indemnify, defend with counsel subject to Lessor's reasonable approval (which shall not be unreasonably withheld, conditioned or delayed), and save Lessor harmless from any claim for injury to person or damage to property asserted by any personnel, employee, guest, invitee or agent of

Lessee which is suffered or occurs in or about the Premises by reason of the act of an intruder or any person other than Lessor or any personnel, employee, contractor, guest, invitee or agent of Lessor in or about the Premises.

40. **Reservations**. Provided same do not materially increase Lessee's obligations or materially diminish Lessee's rights hereunder, Lessor reserves to itself the right, from time to time, to grant, without the consent or joinder of Lessee, such easements, rights and dedications that Lessor deems necessary, and to cause the recordation of parcel maps and restrictions, so long as such easements, rights, dedications, maps and restrictions do not unreasonably interfere with the use of the Premises by Lessee. Lessee agrees to sign any documents reasonably requested by Lessor to effectuate any such easement rights, dedication, map or restrictions.

41. **Authority; Multiple Parties; Execution.**

(a) If either Party hereto is a corporation, trust, limited liability company, partnership, or similar entity, each individual executing this Lease on behalf of such entity represents and warrants that he or she is duly authorized to execute and deliver this Lease on its behalf. Each Party shall, within thirty (30) days after request, deliver to the other Party satisfactory evidence of such authority.

(b) If this Lease is executed by more than one person or entity as "Lessee", each such person or entity shall be jointly and severally liable hereunder. It is agreed that any one of the named Lessees shall be empowered to execute any amendment to this Lease, or other document ancillary thereto and bind all of the named Lessees, and Lessor may rely on the same as if all of the named Lessees had executed such document.

(c) This Lease may be executed by the Parties in counterparts, each of which shall be deemed an original and all of which together shall constitute one and the same instrument.

42. **Conflict**. Any conflict between the printed provisions of this Lease and the typewritten or handwritten provisions shall be controlled by the typewritten or handwritten provisions.

43. **Offer**. Preparation of this Lease by either Party or their agent and submission of same to the other Party shall not be deemed an offer to lease to the other Party. This Lease is not intended to be binding until executed and delivered by all Parties hereto.

44. **Amendments**. This Lease may be modified only in writing, signed by the Parties in interest at the time of the modification. As long as they do not materially change Lessee's obligations hereunder, Lessee agrees to make such reasonable non-monetary modifications to this Lease as may be reasonably required by a Lender in connection with the obtaining of normal financing or refinancing of the Premises.

45. **Waiver of Jury Trial**. TO THE FULLEST EXTENT PERMITTED BY LAW, THE PARTIES HEREBY WAIVE THEIR RESPECTIVE RIGHTS TO TRIAL BY JURY IN ANY ACTION OR PROCEEDING INVOLVING THE PROPERTY OR ARISING OUT OF THIS AGREEMENT. THE PARTIES KNOWINGLY AND IRREVOCABLY WAIVE THEIR RESPECTIVE RIGHTS TO TRIAL BY JURY IN ANY ACTION TO RESOLVE ANY DISPUTE RELATING TO OR ARISING OUT OF THIS LEASE OR ANY PART THEREOF; AND IN CONNECTION WITH THIS LEASE, EACH OF LESSOR AND LESSEE REPRESENTS THAT IT HAS DISCUSSED SUCH WAIVER WITH ITS OWN INDEPENDENT COUNSEL AND HAS RELIED ON ADVICE OF ITS COUNSEL AND MAKES SUCH WAIVER KNOWINGLY AND VOLUNTARILY.

46. **Arbitration of Disputes**. An Addendum requiring the Arbitration of all disputes between the Parties and/or Brokers arising out of this Lease is not attached to this Lease.

47. **Accessibility; Americans with Disabilities Act.**

(a) The Premises have not undergone an inspection by a Certified Access Specialist (CASp). Note: A Certified Access Specialist (CASp) can inspect the subject premises and determine whether the subject premises comply with all of the applicable construction-related accessibility standards under state law. Although state law does not require a CASp inspection of the subject premises, the commercial property owner or lessor may not prohibit the lessee or tenant from obtaining a CASp inspection of the subject premises for the occupancy or potential occupancy of the lessee or tenant, if requested by the lessee or tenant. The parties shall mutually agree on the

arrangements for the time and manner of the CASp inspection, the payment of the fee for the CASp inspection, and the cost of making any repairs necessary to correct violations of construction-related accessibility standards within the premises. Lessor hereby waives its right, if any, to require the Premises undergo a CASp inspection.

(b) Since compliance with the Americans with Disabilities Act (ADA) and other state and local accessibility statutes are dependent upon Lessee's specific use of the Premises, Lessor makes no warranty or representation as to whether or not the Premises comply with ADA or any similar legislation. In the event that Lessee's use of the Premises requires modifications or additions to the Premises in order to be in compliance with ADA or other accessibility statutes, Lessee agrees to make any such necessary modifications and/or additions at Lessee's expense.

48. **Rent Adjustments**. The Base Rent shall be increased on each annual anniversary of the Commencement Date by an amount equal to three percent (3%).

49. **Options to Extend**. Lessor hereby grants to Lessee the option to extend the term of this Lease for two (2) additional five (5) year periods commencing when the prior term expires upon each and all of the following terms and conditions:

(i) In order to exercise an option to extend, Lessee must give written notice of such election to Lessor and Lessor must receive the same at least 6 but not more than 12 months prior to the date that the option period would commence, time being of the essence. If proper notification of the exercise of an option is not given and/or received, such option shall automatically expire. Options (if there are more than one) may only be exercised consecutively.

(ii) The provisions of Paragraph 37, including those relating to Lessee's Default set forth in Paragraph 37.4 of this Lease, are conditions of this option.

(iii) Except for the provisions of this Lease granting an option or options to extend the term, all of the terms and conditions of this Lease except where specifically modified by this option shall apply.

(iv) The monthly rent for each month of the option period shall be calculated as follows: Base Rent shall be increased on the first day of the option period (the "***Option Commencement Date***"), and shall increase on each annual anniversary of the Option Commencement Date by the greater of: (i) [***] percent ([***]%) or (ii) the increase, if any, in the Consumer Price Index of the Bureau of Labor Statistics of the United States Department of Labor, US City Average (1982-84=100), for All Urban Consumers (CPI-U), Not Seasonally Adjusted.

50. **Agreed Use.** Notwithstanding anything herein or in the Lease to the contrary, Lessor acknowledges that Lessee's Agreed Use is, at the time of the execution of this Lease, a violation of United States Code and federal law, and Lessor agrees that this violation shall not, on that basis alone, cause Lessee to forfeit the Premises or otherwise be in default or breach of this Lease. In the event of any change in license, law or regulatory posture concerning the Agreed Use, Lessor shall cooperate in good faith with Lessee and shall approve any changes in Lessee's Agreed Use that may be required to comply with any such change in law or policy.

51. **Filming**. Lessor agrees that Lessee may authorize the use of the Premises for filming of motion pictures, television tapes or films, commercials, videos, documentaries, commentaries, and any and all other still, electronic and other image capture purposes (collectively, "***Filming***"). Lessor agrees that any Filming may be performed during, before or after normal business hours. Upon Lessee's written request, Lessor shall execute such documentation required in connection with such Filming, including, without limitation, executing releases required by third parties filming on the Premises. All such third parties Filming on the Premises shall provide a certificate of insurance naming both Lessor and Lessee as an additional insured.

52. **Change in Laws**. Lessee, at its sole expense, shall comply with all laws, rules, orders and regulations of federal, state, county, and municipal authorities, and with any direction of any public officers pursuant to law, which impose any duty upon Lessor or Lessee with respect to the Premises, including any laws, rules, orders, regulations, and directions as shall hereafter be promulgated, provided however that, except as provided in the last sentence of this Paragraph, Lessee shall not be required to comply with federal law regarding cannabis / marijuana. The parties

also acknowledge that under federal law, the production, distribution and sale of cannabis remains a violation of the Controlled Substances Act and that, as between Lessor and Lessee, the risk of enforcement of such law is on Lessee, and that no such enforcement shall act to relieve the Lessee of its obligations under this Lease. Lessee shall indemnify, defend and hold harmless Lessor and all managers and members of Lessor and any person or entity which has a direct or indirect interest in the Lessor and any agent of Lessor and any person or entity which has a direct or indirect interest in Lessor from and against any and all losses, liabilities, claims and damages arising out of or resulting from the enforcement of such federal law.

53. **Signage**. Lessee shall have the right to install its standard signage on exterior of the front and, if possible, side of Premises. Said signage shall be at Lessee's sole cost and expense in accordance with city ordinances, and subject to Lessor's approval, the latter of which shall not be unreasonably withheld or delayed.

54. **Invalidity of Particular Provisions**. If any term or provision of this Lease or the application thereof to any person or circumstance shall, to any extent, be invalid or unenforceable, the remainder of this Lease, or the application of such term or provision to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby, and each term and provision of this Lease shall be valid and enforceable to the fullest extent permitted by law.

55. **REIT/UBTI**. The Lessor and the Lessee hereby agree that it is their intent that all Rent and charges payable to the Lessor under this Lease shall qualify as "rents from real property" within the meaning of Sections 512(b)(3) and 856(d) of the Internal Revenue Code of 1986, as amended, (the "***Code***") and the U.S. Department of the Treasury Regulations promulgated thereunder (the "***Regulations***"). In the event that (i) the Code or the Regulations, or interpretations thereof by the Internal Revenue Service contained in revenue rulings or other similar public pronouncements, shall be changed so that any Rent or charges no longer so qualifies as "rent from real property" for purposes of either said Section 512(b)(3) or Section 856(d) or (ii) the Lessor, in its sole discretion, determines that there is any risk that all or part of any Rent or charges shall not qualify as "rents from real property" for the purposes of either said Sections 512(b)(3) or 856(d), such Rent and charges shall be adjusted in such manner as the Lessor may reasonably require so that it will so qualify; provided, however, that any adjustments required pursuant to this Paragraph shall be made so as to produce the equivalent (in economic terms) Rent and charges as payable prior to such adjustment. The parties agree to execute such further commercially reasonable instrument as may reasonably be required by the Lessor in order to give effect to the foregoing provisions of this Paragraph 55.

Without limitation of the foregoing and notwithstanding anything contained in this Lease to the contrary, if a sublease, concession or license of all or any portion of the Premises is permitted under this Lease, the provisions of this Paragraph 55 shall continue to apply provided however that the foregoing shall not limit Lessee's right to assign or sublease pursuant to the terms of this Lease including but not limited to the right to make Permitted Transfers.

As an inducement to Lessor to enter into this Lease, Lessee hereby represents and warrants that: (i) Lessee is not, nor is it owned or controlled directly or indirectly by, any person, group, entity or nation named on any list issued by the Office of Foreign Assets Control of the United States Department of the Treasury ("***OFAC***") pursuant to Executive Order 13224 or any similar list or any law, order, rule or regulation or any Executive Order of the President of the United States as a terrorist, "Specially Designated National and Blocked Person" or other banned or blocked person (any such person, group, entity or nation being hereinafter referred to as a "Prohibited Person"); (ii) Lessee is not (nor is it owned, controlled, directly or indirectly, by any person, group, entity or nation which is) acting directly or indirectly for or on behalf of any Prohibited Person; and (iii) from and after the effective date of the above-referenced Executive Order, Lessee (and any person, group, or entity which Lessee controls, directly or indirectly) has not conducted nor will conduct business nor has engaged nor will engage in any transaction or dealing with any Prohibited Person in violation of the U.S. Patriot Act or any OFAC rule or regulation, including without limitation any assignment of this Lease or any subletting of all or any portion of the Premises or the making or receiving of any contribution of funds, goods or services to or for the benefit of a Prohibited Person in violation of the U.S. Patriot Act or any OFAC rule or regulation. In connection with the foregoing, it is expressly understood and agreed that (x) any breach by Lessee of the foregoing representations and warranties shall be deemed a Breach by Lessee, and (y) the representations and warranties contained in this subsection shall be continuing in nature and shall survive the expiration or earlier termination of this Lease. At Lessor's request Lessee shall furnish to Lessor evidence confirming the representations in this Paragraph.

It is understood and agreed that the Lessor shall in no event be construed or held to be a partner or associate of the Lessee in the conduct of the Lessee's business, nor shall the Lessor be liable for any debts incurred by the Lessee in the conduct of the Lessee's business; but it is understood and agreed that the relationship is and at all times shall remain that of Lessor and Lessee.

56. **No Brokers**. Lessor and Lessee each represent and warrant to the other that no brokers were involved in the negotiation of this Lease and that no brokers are owed any commission in connection herewith.

57. **Confidentiality**. Lessor and Lessee agree that the final terms and conditions of this Lease and any financial information provided Lessee shall be kept confidential and shall not be disclosed to any other person or entity other than to Lessor's property managers or to Lessor's or Lessee's lenders, partners, attorneys, accountants or prospective buyers of the Premises or investors, provided the Lessor and Lessee shall be responsible for ensuring the parties to whom each makes disclosure shall maintain the confidentiality of the terms contained herein as if said parties were signatories to this Lease and in any litigation between Lessor and Lessee or then required by judicial or governmental order. The foregoing shall not prohibit the publicizing of the transaction contemplated by this Lease, provided that the material economic terms (for example, the monthly Base Rent and any economic incentives) are not disclosed.

58. **Access**. Subject to casualty, Lessee shall have access to the Premises twenty-four (24) hours per day, seven (7) days per week during the Lease term.

59. **Lease Contingent on Lessor Purchase**. For avoidance of doubt, the parties agree that notwithstanding Lessee's signature and delivery of this Lease, the Lease shall not be effective unless and until Lessor acquires ownership of the Premises pursuant to the Purchase and Sale Agreement dated July ___, 2019, by and between Lessor, as Buyer, and HealthCentral Illinois Holdings, LLC, as Seller, as more fully set forth in Paragraph 1.3, and Base Rent shall be equitably pro-rated until such time as Lessor acquires ownership of the entire Premises.

60. **Maintenance of and Compliance with License**. Lessee shall at all times maintain in full force and effect and comply with all terms and conditions of all licenses and permits required to operate the Premises for the Agreed Use (collectively, the "***License***"). If Lessee at any time during the Lease term receives written notice of (i) termination of the License, (ii) noncompliance with a requirement of the License, (iii) a violation of the License, or (iv) any similar written notice from the authority having jurisdiction over the License (each, a "***Threatened Action***"), then Lessee shall immediately notify Lessor in writing and Lessee shall, within five (5) business days of receipt of written notice of a Threatened Action (or such sooner period as required by such written notice), cure any termination, noncompliance, or violation of the License, and take all other steps required to avoid the Threatened Action. If Lessee fails, in Lessor's reasonable judgment, to take all steps necessary to avoid the Threatened Action within said five (5) business day period (or sooner as set forth above), then such failure by Lessee shall be deemed a Default under the Lease and Lessor may, without limiting Lessor's other remedies pursuant to this Lease or otherwise available at law or in equity: (x) terminate this Lease upon thirty (30) days' written notice to Lessee (or such sooner period as may be required to avoid the Threatened Action), and/or (y) take all steps that Lessor deems reasonably required to preserve the License and to avoid the Threatened Action, including but not limited to requiring Lessee to transfer the Lease and/or the License to Lessor or a third party designated by Lessor.

61. **Operating Costs.**

(a) In addition to the Base Rent and other charges prescribed in this Lease, Lessee shall pay to Lessor, as Additional Rent required pursuant to this Lease, the cost of any kind which may be incurred by Lessor in its discretion in connection with the operation, cleaning, maintenance, ownership, management, repair and replacement of the Premises (collectively, the "***Operating Costs***"), including, without limitation, all costs of the following: lighting, painting, cleaning, policing, inspecting, repairing, replacing elements in the Premises; trash removal; insect and pest treatments and eradication; roof repairs and maintenance; environmental protection improvements or devices and health and safety improvements and devices which may be required by applicable laws (including the maintenance, repair and replacement of same); premiums and related expenses to obtain and maintain the policies of insurance required by this Lease; environmental monitoring programs and devices, wages and salaries of all employees, agents, consultants and others engaged in operation, cleaning, maintenance, repair, and replacement of

the Premises; charges and assessments paid by Lessor pursuant to any owner's association, reciprocal easement, covenants or comparable document affecting the Premises, any fees which Lessor pays for the management or asset management of the Premises, an allowance for Lessor's administrative or overhead costs, in the amount of [***] percent ([***]%) of the total of all other Operating Costs; utilities, snow and ice removal; monthly amortization of capital improvements to the Premises (the monthly amortization of any given capital improvement shall be the sum of (a) the quotient obtained by dividing the cost of the capital improvement by Lessor's estimate of the number of months of useful life of such improvement plus (b) an amount equal to the cost of the capital improvement times the lesser of (y) a rate not to exceed [***]% per annum and (z) the maximum annual interest rate permitted by law); the cost of resurfacing and restriping parking areas and roadways; reasonable reserves for any of the foregoing or any other Operating Costs; any other item stated in this Lease to be an Operating Cost. In addition, Lessor and Lessee agree that all costs incurred by Lessor with respect to all sewer (including septic systems, if applicable) and water lines and other equipment (including maintenance, repair and replacement of same), fire-protection equipment and devices (including maintenance, repair and replacement of same), exterior painting and for roof and canopy maintenance, repair and replacement shall be included as Operating Costs pursuant to this Paragraph 61. With regard to capital expenditures, (i) the original investment in capital improvements, i.e., upon the initial construction of the Premises, shall not be included, and (ii) capital improvements made either before or during the Lease term shall be included to the extent of a reasonable depreciation or amortization (including interest accruals commensurate with Lessor's interest costs) beginning with the date on which payment for the improvement was made and continuing through the reasonable useful life of the improvement.

(b) Lessee shall make payment to Lessor for Operating Costs based upon the estimated annual cost of Operating Costs, payable in advance at the same time each month as Base Rent is payable, but subject to adjustment after the end of the year on the basis of the actual costs for such year as provided for under Paragraph 4. Alternatively, Lessee shall, at Lessor's option, make payments to Lessor for Operating Costs on demand at intervals not more frequently than monthly. In addition, if either before or during the Lease term Lessor in its discretion elects to amortize a non-capital expense instead of charging it in full during the year in which it is incurred by Lessor, then such expense shall be amortized (with interest accruals commensurate with Lessor's interest costs) beginning with the date on which payment for the expense was made and continuing through the amortization period. With regard to the charges contemplated in this Paragraph 61, Lessee further agrees that unless within thirty (30) days after Lessor's delivery to Lessee of an assessment and/or statement related to any such charges, Lessee delivers to Lessor a written assertion of one or more specific errors or a written request for further detail regarding a specific charge, then the assessment and/or statement shall be deemed correct in all respects. In addition, Lessee further agrees that if it so asserts error or requests further information within such thirty (30) day period, Lessee will nevertheless pay all amounts charged by Lessor pending a resolution thereof.

LESSOR AND LESSEE HAVE CAREFULLY READ AND REVIEWED THIS LEASE AND EACH TERM AND PROVISION CONTAINED HEREIN, AND BY THE EXECUTION OF THIS LEASE SHOW THEIR INFORMED AND VOLUNTARY CONSENT THERETO. THE PARTIES HEREBY AGREE THAT, AT THE TIME THIS LEASE IS EXECUTED, THE TERMS OF THIS LEASE ARE COMMERCIALLY REASONABLE AND EFFECTUATE THE INTENT AND PURPOSE OF LESSOR AND LESSEE WITH RESPECT TO THE PREMISES.

ATTENTION: NO REPRESENTATION OR RECOMMENDATION IS MADE AS TO THE LEGAL SUFFICIENCY, LEGAL EFFECT, OR TAX CONSEQUENCES OF THIS LEASE OR THE TRANSACTION TO WHICH IT RELATES. THE PARTIES ARE URGED TO:

1. SEEK ADVICE OF COUNSEL AS TO THE LEGAL AND TAX CONSEQUENCES OF THIS LEASE.

2. RETAIN APPROPRIATE CONSULTANTS TO REVIEW AND INVESTIGATE THE CONDITION OF THE PREMISES. SAID INVESTIGATION SHOULD INCLUDE BUT NOT BE LIMITED TO: THE POSSIBLE PRESENCE OF HAZARDOUS SUBSTANCES, THE ZONING OF THE PREMISES, THE

STRUCTURAL INTEGRITY, THE CONDITION OF THE ROOF AND OPERATING SYSTEMS, AND THE SUITABILITY OF THE PREMISES FOR LESSEE'S INTENDED USE.

[END OF THIS PAGE; SIGNATURE PAGE FOLLOWS]

The parties hereto have executed this Lease at the place and on the dates specified below their respective signatures.

LESSOR:

LCR 628 EAST ADAMS, LLC
a Delaware limited liability company

By: Le Cirque Rouge, LP, a Delaware limited partnership
Its: Sole Member

By: Treehouse Real Estate Investment Trust, Inc., a Maryland corporation
Its: General Partner

By: /s/ Christopher Ganan
Name: Christopher Ganan
Title: Chief Executive Officer and President

LESSEE:

HEALTHCENTRAL, LLC,
an Illinois limited liability company

By: /s/ Abner Kurtin
Name: Abner Kurtin
Title: Manager

GUARANTY OF LEASE

THIS GUARANTY OF LEASE ("**Guaranty**") is entered into as of July 5, 2019, by Ascend Wellness Holdings, LLC, an Illinois limited liability company ("**Guarantor**"), for the benefit of LCR 628 EAST ADAMS, LLC ("**Lessor**"), with reference to the following facts:

Lessor and HealthCentral, LLC ("**Lessee**"), have entered or will enter into a lease of even date herewith (the "**Lease**"). Capitalized terms used but not otherwise defined herein shall have the same meaning ascribed to them in the Lease.

By its covenants herein set forth, Guarantor has induced Lessor to enter into the Lease, which was made and entered into in consideration for Guarantor's said covenants.

Subject to the terms set forth herein, Guarantor unconditionally guarantees, without deduction by reason of setoff, defense or counterclaim, to Lessor and its successors and assigns the full and punctual payment (and not merely the collectability), performance and observance by Lessee, of all of the amounts, terms, covenants and conditions in the Lease contained on Lessee's part to be paid, kept, performed and observed. Notwithstanding the foregoing, in no event shall the scope of Guarantor's obligations exceed Lessee's obligations under the Lease except to the extent Lessee is relieved of any such obligation by reason of any bankruptcy or other like filing or order.

If Lessee shall at any time default in the punctual payment, performance and observance of any of the amounts, terms, covenants or conditions in the Lease contained on Lessee's part to be paid, kept, performed and observed (after applicable notice and cure period), Guarantor will pay, keep, perform and observe same, as the case may be, in the place and stead of Lessee. Guarantor shall also pay to Lessor all reasonable and necessary incidental damages and expenses incurred by Lessor as a direct and proximate result of Lessee's failure to perform, which expenses shall include reasonable attorneys' fees and interest on all sums due and owing Lessor by reason of Lessee's failure to pay same, at the maximum rate allowed by law.

Any act of Lessor, or its successors or assigns, consisting of a waiver of any of the terms or conditions of the Lease, the giving of any consent to any matter or thing relating to the Lease, or the granting of any indulgence or extension of time to Lessee may be done without notice to Guarantor and without releasing Guarantor from any of its obligations hereunder.

The obligations of Guarantor hereunder shall not be released by Lessor's receipt, application or release of any security given for the performance and observance of any covenant or condition in the Lease contained on Lessee's part to be performed or observed, nor by any modification of the Lease, regardless of whether Guarantor consents thereto or receives notice thereof.

The liability of Guarantor hereunder shall in no way be affected by: (a) the release or discharge of Lessee in any creditor's, receivership, bankruptcy or other proceeding; (b) the impairment, limitation or modification of the liability of Lessee or the estate of Lessee in bankruptcy, or of any remedy for the enforcement of Lessee's liability under the Lease resulting from the operation of any present or future provision of the Federal Bankruptcy Code or other statutes or from the decision of any court; (c) the rejection or disaffirmance of the Lease in any such proceedings; (d) the assignment or transfer of the Lease by Lessee; (e) any disability or other defense of Lessee; (f) the cessation from any cause whatever of the liability of Lessee; (g) the exercise by Lessor of any of its rights or remedies reserved under the Lease or by law; or (h) any termination of the Lease.

If Lessee shall become insolvent or be adjudicated bankrupt, whether by voluntary or involuntary petition, if any bankruptcy action involving Lessee shall be commenced or filed, if a petition for reorganization, arrangement or similar relief shall be filed against Lessee, or if a receiver of any part of Lessee's property or assets shall be appointed by any court, Guarantor shall pay to Lessor the amount of all accrued, unpaid and accruing rent and other charges due under the Lease and all principal and interest and other charges under to the date when the debtor-in- possession, the trustee or administrator accepts the Lease and commences paying same. At the option of Lessor, Guarantor shall either: (a) pay Lessor an amount equal to the rent and other charges which would have been payable for the unexpired portion of the Lease term reduced to present-day value; or (b) execute and deliver to Lessor a new lease for the balance of the Lease term with the same terms and conditions as the Lease, but with Guarantor as

Lessee thereunder. Any operation of any present or future debtor's relief act or similar act, or law or decision of any court, shall in no way affect the obligations of Guarantor or Lessee to perform any of the terms, covenants or conditions of the Lease or of this Guaranty.

Guarantor may be joined in any action against Lessee in connection with the obligations of Lessee under the Lease and recovery may be had against Guarantor in any such action. Lessor may enforce the obligations of Guarantor hereunder without first taking any action whatever against Lessee or its successors and assigns, or pursuing any other remedy or applying any security it may hold.

Until all of the covenants and conditions in the Lease on Lessee's part to be performed and observed are fully performed and observed, Guarantor: (a) shall have no right of subrogation against Lessee by reason of any payment or performance by Guarantor hereunder; and (b) subordinates any liability or indebtedness of Lessee now or hereafter held by Guarantor to the obligations of Lessee to Lessor under the Lease.

This Guaranty shall apply to the Lease, any extension, renewal, modification or amendment thereof, to any assignment, subletting or other tenancy thereunder and to any holdover term following the Lease term granted under the Lease, or any extension or renewal thereof. Notwithstanding anything in this Guaranty to the contrary, in the event Lessee assigns the Lease or subleases the Premises in accordance with the provisions of the Lease to a third party which is not an entity controlling or controlled by or under common control with Lessee or Guarantor (a "Third Party Assignee") then (a) the undersigned shall not be responsible for any incremental increase in Rent or other obligation under the Lease or for or during any extension of the Lease term resulting from an amendment to the Lease between Lessor and such Third Party Assignee which provides for an increase in Rent or other obligation due under the Lease or an extension of the Lease term or for any exercise of any option to extend the Lease term which may be exercised by said Third Party Assignee, unless Guarantor shall have consented in writing to such increase in Rent or other obligation or extension of Lease term; and (b) as a condition to the undersigned's liabilities under this Guaranty, Lessor shall be required to deliver written notice of any defaults by Lessee or the Third Party Assignee to Guarantor and Guarantor shall have the right to cure same within the time period provided in the Lease.

In the event of any litigation between Guarantor and Lessor with respect to the subject matter hereof, the unsuccessful party in such litigation shall pay to the successful party all fees, costs and expenses thereof, including reasonable attorneys' fees and expenses.

If there is more than one undersigned Guarantor, (a) the term "Guarantor", as used herein, shall include all of the undersigned; (b) each provision of this Guaranty shall be binding on each one of the undersigned, who shall be jointly and severally liable hereunder; and (c) Lessor shall have the right to join one or all of them in any proceeding or to proceed against them in any order.

Within fifteen (15) days after Lessor's written request (which requests may not be made more than once per calendar year), Guarantor shall furnish Lessor with financial statements or other reasonable financial information reflecting Guarantor's current financial condition, certified by Guarantor or its financial officer. If Guarantor is a publicly-traded corporation, delivery of Guarantor's last published financial information shall be satisfactory for purposes of this Paragraph.

This instrument constitutes the entire agreement between Lessor and Guarantor with respect to the subject matter hereof, superseding all prior oral and written agreements and understandings with respect thereto. It may not be changed, modified, discharged or terminated orally or in any manner other than by an agreement in writing signed by Guarantor and Lessor.

This Guaranty shall be governed by and construed in accordance with the laws of the State of Illinois.

Every notice, demand or request (collectively "**Notice**") required hereunder or by law to be given by either party to the other shall be in writing. Notices shall be given by personal service or by United States certified or registered mail, postage prepaid, return receipt requested, or by telegram, mailgram or same-day or overnight private courier, addressed to the party to be served at the address indicated below or such other address as the party to be served may from time to time designate in a Notice to the other party.

Any action to declare or enforce any right or obligation under the Lease may be commenced by Lessor in the state courts of the State of Illinois. Guarantor hereby consents to the jurisdiction of such Court for such purposes. Any notice, complaint or legal process so delivered shall constitute adequate notice and service of process for all purposes and shall subject Guarantor to the jurisdiction of such Court for purposes of adjudicating any matter related to this Guaranty. Lessor and Guarantor hereby waive their respective rights to trial by jury of any cause of action, claim, counterclaim or cross-complaint in any action, proceeding and/or hearing brought by either Lessor against Guarantor or Guarantor against Lessor on any matter whatever arising out of, or in any way connected with, the Lease, or this Guaranty.

This Guaranty may be assigned in whole or part by Lessor upon written notice to Guarantor, but it may not be assigned by Guarantor without Lessor's prior written consent, which may be withheld in Lessor's sole and absolute discretion.

The terms and provisions of this Guaranty shall be binding upon and inure to the benefit of the heirs, personal representatives, successors and permitted assigns of the parties hereto.

IN WITNESS WHEREOF, Guarantor has executed this Guaranty as of the date first above written.

"GUARANTOR"

Ascend Wellness Holdings, LLC,
a Delaware limited liability company

By: AGP Partners, LLC, its Managing Member

By: /s/ Abner Kurtin
Name: Abner Kurtin
Title: Manager

CONFIDENTIAL TREATMENT REQUESTED - REDACTED COPY

INDENTURE OF LEASE

1. PARTIES

1089 Washington Street Limited Partnership, a Massachusetts limited partnership of which Copley General II, Inc. is the present and sole general partner, whose principal place of business is 10 Newbury Street, Boston, MA, "**Landlord"**, which expression shall include its heirs, successors, and assigns where the context so admits, does hereby lease 1089 Washington Street, Newton, MA 02465 to Ascend Mass, LLC, a Massachusetts limited liability company, "**Tenant"**, which expression shall include its heirs, successors, executors, administrators and assigns where the context so admits.

2. PREMISES

Tenant hereby leases from **Landlord**, and **Landlord** hereby grants, demises and leases to **Tenant**, the exclusive use of the entire one story building deemed to consist of approximately 8,500 square feet of rentable space (to be partially demolished and reconfigured to an approximate 5,000 square foot space) ("Building") and all the land area under and appurtenant to the Building including the parking area consisting of approximately 25,036 square feet, known as and numbered 1089 Washington Street (a/k/a 58 Cross Street), West Newton, MA, all of which is shown on a site plan, marked Exhibit A and attached hereto (hereinafter referred to as the "Premises"). THE PREMISES ARE LEASED "AS IS" AND "WHERE IS" AND WITHOUT ANY EXPRESS OR IMPLIED WARRANTY WHATSOEVER, EXCEPT AS EXPRESSLY SET FORTH HEREIN, AND IN PARAGRAPH 51.

Tenant shall have sole and exclusive use of the Premises, subject only to any express reservations of **Landlord** in the Lease.

As the sole occupant of the Premises, **Tenant** will have the right to control access to and the use of the parking area, post directional and no trespassing signage, engage towing companies and tow unauthorized vehicles.

3. COMMENCEMENT DATE AND TERM; LICENSE CONTINGENCY

The Lease shall commence upon lease execution, the "Lease Commencement Date", and terminate fifteen (15) years from when the Premises are operational per the Use of Premises clause Paragraph 11, which shall be defined as notice by the Cannabis Control Commission to commence operations "Store Opening".

Prior to the Lease Commencement Date, **Tenant** has the right to enter the Premises to perform architectural and engineering work, but is strictly prohibited from performing any construction work including demolition.

Notwithstanding anything in this Lease to the contrary, this Lease is subject to the following contingency:

Tenant previously submitted with the Cannabis Control Commission (the "**CCC**") an application to obtain a license (the "**Final License**") to operate a Marijuana Establishment at the

Premises. **Tenant** anticipates receiving a provisional license (the "**Provisional License**") from the CCC in June 2020. In the event the **Tenant** shall not receive its Provisional License by July 10, 2020 **Tenant** shall notify **Landlord** prior to 5:00 pm EST on July 17, 2020, in writing, specifying the reasons for the denial and whether **Tenant** elects, at **Tenant's** sole option, to terminate the Lease or pursue and appeal of any denial of the Provisional License. Should **Tenant** not notify **Landlord** of its intention to terminate the Lease or pursue and appeal any denial of the Provisional License prior to 5:00 pm EST on July 17, 2020, **Tenant** shall lose its right to terminate the Lease, and this Lease shall be in full force and effect.

Should **Tenant** elect to pursue an appeal it shall be subject to satisfaction of the following conditions: (i) **Tenant** obtains **Landlord's** prior written consent of the appeal, such consent not to be unreasonably withheld, conditioned or delayed, (ii) the parties mutually agree to an extension of the approval period to allow **Tenant** to pursue such appeal, "Appeal Period", which Appeal Period shall terminate sixty (60) days following **Tenant's** written notice to **Landlord** of their intention to appeal, (iii) during the Appeal Period, the **Tenant** shall be obligated to continue to pay the Construction Base Rent (defined below), and (iv) **Tenant** shall diligently prosecute such appeal. Should the **Tenant** not receive the Provisional License prior to the end of the Appeal Period, this Lease shall terminate and become null and void.

If the **Tenant** elects to terminate the Lease under this section or loses its appeal, neither party shall have any further liabilities or obligations hereunder, except **Landlord** shall be entitled to keep the entire PSA Deposit (defined below) and any Construction Base Rent paid to date.

Following **Tenant's** receipt of the Provisional License, **Landlord** agrees to cooperate with **Tenant** in **Tenant's** attempts to obtain the Final License, provided that **Landlord** shall not be required to incur any cost in connection therewith.

4. BASE RENT

Tenant shall pay to **Landlord** base rent at the rate of Nine Hundred Thousand ($900,000.00) Dollars per year, ("Base Rent"), payable in advance in monthly installments of Seventy-Five Thousand ($75,000.00) Dollars, for the first year of the term. During the Term, Base Rent shall be due and payable according to the following schedule:

YEAR	ANNUALLY	MONTHLY
1	$900,000.00	$75,000.00
2	$922,500.00	$76,875.00
3	$945,562.50	$78,796.88
4	$969,201.56	$80,766.80
5	$993,431.60	$82,785.97
6	$1,018,267.39	$84,855.62
7	$1,043,724.08	$86,977.01
8	$1,069,817.18	$89,151.43
9	$1,096,562.61	$91,380.22
10	$1,123,976.67	$93,664.72
11	$1,152,076.09	$96,006.34
12	$1,180,877.99	$98,406.50
13	$1,210,399.94	$100,866.66
14	$1,240,659.94	$103,388.33
15	$1,271,676.44	$105,973.04

5. RENT COMMENCEMENT DATE

Tenant's obligation to pay rent begins May 1, 2020 (the "Rent Commencement Date").

The **Tenant** shall pay Twenty-Five Thousand ($25,000.00) Dollars per month, ("Construction Base Rent"), commencing on the Rent Commencement Date, and continuing each month until the Base Rent is due.

Tenant's obligation to pay Base Rent shall commence on the earlier of (i) Store Opening, or (ii) nine (9) months after the Lease Commencement Date.

Tenant's obligation to pay the monthly rent arises on the first day of each month as provided above. **Tenant** shall be required to pay a late fee equal to [***] percent ([***]%) of the monthly rent for any payment postmarked after the fifth day of the month in which it is due. All rent and all charges relating to **Tenant**'s obligations under the Lease (including but not limited to, reasonable attorney's fees, other costs of collection, or costs incurred by **Landlord** arising from a default of **Tenant**'s obligations under this Lease) shall constitute rent due and payable under this Lease. Fixed and additional rent shall be paid by **Tenant** to **Landlord** without offset or deduction, except as otherwise herein expressly provided. Rent as defined in this Paragraph 5 may be recovered in any legal action brought by the **Landlord**, including, without limitation, an action to evict **Tenant** under Massachusetts General Laws.

6. SECURITY DEPOSIT

Upon the Lease Commencement Date, **Tenant** shall pay to **Landlord** the amount of Four Hundred Fifty Thousand ($450,000.00) Dollars, the "Security Deposit", which shall be held as security for **Tenant**'s performance as herein provided and refunded to **Tenant** at the end of this Lease or any extensions thereto, subject to **Tenant**'s satisfactory compliance with the conditions hereof. Three Hundred Thousand ($300,000.00) Dollars initially deposited (the "PSA Deposit")

per the Purchase and Sale Agreement between **Landlord** and **Tenant** (MassGrow, LLC) dated January 9, 2019 ("PSA"), and herein attached as Exhibit C, shall be applied towards the Security Deposit. **Landlord** may use, apply, or retain the whole or any part of the Security Deposit to the extent required for the payment of any rent or other payment due to **Landlord** hereunder or other sum which **Landlord** may expend or incur by reason of **Tenant**'s default in any of the terms of this Lease, including, but not limited to, any damages or deficiency in the re-letting of the Premises, whether such damages or deficiencies accrued before or after summary proceedings or other re-entry by **Landlord**. If all or any part of the Security Deposit is applied to an obligation of **Tenant** hereunder, **Tenant** shall immediately upon the request by **Landlord** restore the Security Deposit to its original amount. **Landlord** shall return any unapplied balance of the Security Deposit to **Tenant** within thirty (30) days of the end of the term of this Lease.

Thirty (30) days prior to **Tenant's** scheduled demolition of the approximate 3,500 square foot rear portion of the Premises, identified in Exhibit A, and further identified in the construction plans and construction schedule outlined in Exhibit B, provided by **Tenant** and reviewed and approved by **Landlord**, **Tenant** shall pay to **Landlord** additional security in the amount of Five Hundred Fifty Thousand ($550,000.00) Dollars for the performance and completion of the construction process, the "Completion Guarantee". Prior to the Completion Guarantee deposit, in no event shall **Tenant** demolish or structurally alter the back approximate 3,500 square foot portion of the Premises without **Landlord**'s prior written consent. The Completion Guarantee shall be refunded to **Tenant** in full within Five (5) days after notice of Store Opening and release of mechanical liens by **Tenant's** contractors.

7. ABSOLUTELY NET

The Construction Base Rent and Base Rent payable hereunder shall be net to **Landlord**, so that this Lease shall yield to **Landlord** the net rent specified herein during the term of this Lease and any extensions thereto. In order that the Construction Base Rent and Base Rent shall be absolutely net to **Landlord**, **Tenant** covenants and agrees, beginning on the Lease Commencement Date, to pay, as additional rent ("Additional Rent"), all costs and expenses for or related to the ownership, operation, maintenance, repair and replacement of the Premises. (Construction Base Rent, Base Rent, Additional Rent and all other sums payable by **Tenant** hereunder are hereinafter referred to collectively as the "Rent".) The enumeration of the particular items of Additional Rent such as Taxes and Utility Charges, to be paid by **Tenant** under this Lease, shall not be deemed to constitute a limitation on the generality of the foregoing.

8. REAL ESTATE TAX AND INSURANCE REIMBURSEMENT

A. Real Estate Tax Reimbursement

Landlord shall pay to the local tax authorities and other governmental agencies throughout the term of this Lease and any extensions thereof, all real estate taxes, and all assessments which may be levied against the Premises and the land and buildings comprising the same. **Tenant** agrees to pay to the local tax authorities and other governmental agencies, throughout the term of this Lease and any renewal thereof, all personal property, corporate excise, or any other taxes which may be levied against **Tenant**'s merchandise, trade fixtures and other personal property in and about the Premises.

Beginning with the Lease Commencement Date, **Tenant** agrees to reimburse the **Landlord** as Additional Rent, [***]% of the real estate taxes, including municipal betterments levied against the land and Building that are subject to this Lease, of which the Premises are a part. This adjustment shall be prorated should this Lease commence after the beginning of any fiscal year or terminate before the end of any fiscal year.

Tenant shall have the right, at its sole cost and expenses, to apply for a tax abatement for the Premises with respect to any time period during the term of this Lease.

B. Insurance Reimbursement

Tenant shall pay to the **Landlord** as Additional Rent, [***]% of the premium charged to **Landlord** for fire, extended coverages, boiler and machinery, public liability (including umbrella liability coverage), and other physical damage coverages carried by **Landlord** for the Building, of which the Premises are a part and which notice shall contain a copy of the then current insurance premium bill. This adjustment shall be prorated should this Lease terminate before the end of any lease year. Beginning with the Lease Commencement Date, and on the first day of each month thereafter, the **Tenant** shall pay, monthly, one twelfth (1/12th) of the total insurance adjustment attributable to these Premises for the then current year. Until notice from **Landlord** of the then insurance premium each such monthly payment shall be based upon the monthly insurance payment installment for the previous twelve (12) month period, with an appropriate adjustment in each case after the actual insurance bill for the current year is received by **Landlord**. **Landlord's** insurance (i) shall cover the Building for full replacement cost, (ii) shall be in commercially reasonable amounts of coverage, (iii) shall be subject to commercially reasonable deductible amounts, (iv) shall provide for twelve months of loss of rent, and (v) may be procured as part of a blanketed program of insurance for multiple properties (subject to commercially reasonable blanketed caps and exclusions.).

9. UTILITIES

During the entire term of the Lease and any extensions thereto, **Tenant** shall provide and shall pay for all of its utilities, including but not limited to gas, electricity, hot and cold water and sewer charges. **Tenant** shall maintain sufficient heat in the Premises to prevent the pipes therein from freezing.

10. RUBBISH REMOVAL

Tenant shall provide and pay for its own rubbish storage and removal. In connection herewith, **Tenant** shall be allowed to store a dumpster outside the Premises, in an area designated by **Landlord**. The **Tenant** shall maintain the area around the dumpster, keeping it free and clear of debris and offensive odors. **Tenant** shall defend, indemnify, and hold harmless the **Landlord** from any and all liability and claims arising from **Tenant**'s mishandling of its rubbish.

11. USE OF THE PREMISES

The Lease shall provide that the Building and Premises outlined herein may be occupied and operated as a Cannabis Establishment for sales of adult-use marijuana including any and all ancillary thereto including but not limited to storage, maintenance, packaging, counseling,

dispensing and any other cannabis related activity as permitted by the Cannabis Control Commission, provided **Tenant** has obtained all required state and local permits, licenses and approvals, necessary in connection with such use. At **Tenant**'s sole cost and expense, **Landlord** and **Tenant** acknowledge that it shall be the sole responsibility of **Tenant** and its consultants to secure necessary permits and approvals.

12. FIRE INSURANCE – HAZARDOUS USE

Tenant shall not permit any use of the Premises which would suspend or void any insurance due to an additional fire hazard risk on the property of which the Premises are a part or on the contents of said property or which shall be contrary to any law or regulation from time to time established by any state, municipal, government, or insurance industry rule making authority. **Tenant** shall pay any increased insurance costs incurred by **Landlord** by reason of **Tenant**'s breach of any of the covenants set forth in the foregoing sentence. Further the **Tenant**, at its expense, shall take all measures necessary to comply with the requirements of **Landlord**'s insurance carrier.

13. TENANT'S MAINTENANCE OF PREMISES

Tenant shall, at all times during the term of this Lease, and at its own cost and expense, keep and maintain or cause to be kept and maintained in repair and good condition (ordinary wear and tear excepted), all buildings and improvements at any time erected on the Premises or used in connection therewith (such as a dumpster and enclosure, loading dock, and drive-through canopy and structure), shall maintain in good condition all lawns and planted areas of the Premises, shall keep in good repair and clean and free of all snow and ice on surfaced roadways, walks, and parking and loading areas of the Premises and shall keep the exterior areas of the Premises generally in neat and orderly condition, shall not commit or allow any waste to the Premises and shall use all reasonable precaution to prevent waste, damage or injury. **Tenant**'s obligations hereunder shall include all repairs and replacements to the Premises, whether the same are ordinary or extraordinary, foreseen or unforeseen, capital or noncapital and it is expressly understood and agreed that **Landlord** shall not be obligated during the term of this Lease, to make any repairs, alterations, or replacements, whether structural or otherwise, of any kind whatsoever to the Premises.

14. ALTERATIONS-ADDITIONS

Tenant shall have the right, during the term of the Lease and any extensions thereto, with prior written approval from **Landlord**, which shall not be unreasonably withheld or delayed, provided it complies with all City of Newton building codes and permits, to decorate, improve and renovate the interior of the leased space and to make all other non-structural interior alterations and improvements which **Tenant** deems necessary and required to carry on its business or to make the same suitable for its use, including without limitation, installation of interior partitioning doors, frames and hardware, electrical fixtures and lighting, floor and wall covering, and any built-in fixtures. **Tenant** acknowledges that any alterations to the façade and signage will also require **Landlord**'s approval which shall not be unreasonably withheld. All such allowed alterations shall be performed in a good and workmanlike manner at **Tenant**'s expense and shall be in quality at least equal to the present construction. **Tenant** may make non-structural

alterations up to $[***] in each instance without **Landlord's** consent, but with prior notice to **Landlord**.

15. ASSIGNMENT-SUBLEASING

Tenant shall have the right, without **Landlord**'s consent, but subject to conditions set forth herein to assign or sublet the Premises (i) to an entity with which it may merge or consolidate, (ii) in connection with the sale of all or a substantial portion of **Tenant**'s assets or those of its operating division, (iii) in connection with the sale of a majority or more of the outstanding equity of **Tenant**, or (iv) to any affiliate, parent or subsidiary of **Tenant**. The public sale or transfer of the equity of **Tenant** shall not be deemed an assignment.

Tenant shall not assign, sublet, mortgage, pledge, encumber or otherwise transfer (collectively referred to as "Transfer") this Lease or its rights hereunder in a single store transaction without **Landlord**'s prior written consent, subject to the other terms and provisions of this Paragraph 15. Notwithstanding such Transfer, **Tenant** and Guarantors under the Lease shall remain liable to **Landlord** for the payment of all rent and for the full performance of the covenants and conditions of this Lease. Without limiting the foregoing, **Landlord** and **Tenant** agree that **Landlord** may withhold its consent to any proposed Transfer to a transferee ("Transferee") who, or is not deemed by **Landlord** in its reasonable business judgment, to be an acceptable credit risk. In addition, if required in the **Landlord**'s reasonable judgment, any Transferee shall, by valid written instrument, expressly assume for itself and its successors and assigns, and for the benefit of **Landlord**, all of the obligations of **Tenant** under this Lease.

Any request by **Tenant** for **Landlord**'s consent to a Transfer shall include (i) the name of the proposed Transferee; (ii) the nature of its business and proposed use of the Premises; (iii) complete information as to the financial condition and standing of the proposed Transferee; and (iv) the terms and conditions of the proposed transfer. **Tenant** shall promptly supply such additional information about the proposed Transfer and Transferee as the **Landlord** reasonably requests. **Landlord** shall also have the right to meet and interview the proposed Transferee.

In the event **Landlord** consents to such Transfer any rent to be paid by the Transferee which is in excess of the rent set forth in the Lease, shall be shared equally between **Tenant** and **Landlord**, after deduction of reasonable expenses of subletting such as, and without implied limitation, brokerage commissions, legal fees, leasehold improvements, and rent incentives. For purposes of this grammatical paragraph, the term "rent" shall mean all fixed rent, additional rent or other payment and/or consideration payable hereunder or in connection with such assignment or sublease, as applicable.

Landlord shall advise **Tenant** in writing whether or not it consents to a proposed Transfer within ten (10) days of receiving **Tenant**'s request for such consent and such accompanying information. In the event such consent is withheld, **Landlord** shall specify the reasons therefore in detail.

Any transfer consented to herein shall not release **Tenant** or Guarantor from its obligations of the Lease.

Consent by **Landlord**, whether express or implied, to any Transfer shall not constitute a waiver of **Landlord**'s right to prohibit any subsequent Transfer.

Tenant shall reimburse **Landlord** for its reasonable, out-of-pocket legal and other expenses in connection with any request for consent under this Paragraph 15.

16. SUBORDINATION; NOTICE TO MORTGAGEE

This Lease shall be subject and subordinate to any and all mortgages and other instruments in the nature of a mortgage, now or at any time hereafter, a lien or liens on the property of which the Premises are a part and the **Tenant** shall, when requested, promptly execute and deliver such commercially reasonable written instruments as shall be necessary to show the subordination of this Lease to said mortgages, or other such instruments in the nature of a mortgage, and **Landlord** shall be required to simultaneously obtain from the holder of any such instrument an agreement, in such holder's customary form, running to the **Tenant** whereby such holder has agreed, in the event of a foreclosure of said lien not to disturb the **Tenant** hereunder so long as the **Tenant** is not in default of the Lease (the “SNDA Agreement”).

No act or failure to act on the part of **Landlord** which would entitle **Tenant** under the terms of this Lease, or by law, to be relieved of **Tenant**’s obligations hereunder or to terminate this Lease, shall result in a release or termination of such obligations or a termination of this Lease unless (i) **Tenant** shall have first given written notice of **Landlord**’s act or failure to act to **Landlord**’s mortgagees of record, if any, of whom **Tenant** has received written notice specifying the act or failure to act on the part of **Landlord** which could or would give basis to **Tenant**’s rights; and (ii) such mortgagees, after receipt of such notice, have failed or refused to correct or cure the condition complained of within a reasonable time thereafter (including a reasonable time to obtain possession of the mortgaged Premises if the mortgagee elects to do so); but nothing contained in this Paragraph 16 shall be deemed to impose any obligation on any such mortgagees to correct or cure any condition.

17. LANDLORD'S ACCESS

Landlord reserves the right from time to time, without unreasonable interference with **Tenant’s** permitted use of the Premises and upon, at least 24 hours prior notice: (i) to install, use, maintain, repair, replace and relocate for service to the Premises and other parts of the Building, or either, pipes, ducts, conduits, wires and appurtenant fixtures, wherever located in the Premises or Building, (ii) to alter or relocate any other common facility, or (iii) to examine the Premises to prospective purchasers, potential insurance adjusters, potential financing parties, and prospective tenants (in which case only during the last six (6) months of the term of the Lease).

So long as **Landlord** and its agents use reasonable efforts not to interfere with **Tenant**’s business operation in the Premises and except if caused by the negligence of the **Landlord** or its agents or employees, **Landlord** shall not be liable to **Tenant** for any compensation or reduction of rent by reason of inconvenience or annoyance or for loss of business arising from the necessity of **Landlord** or its agents’ entering the Premises for any of the purposes in this Lease authorized, or for repairing the Premises or any portion of the Building however the necessity may occur.

18. INDEMNIFICATION AND LIABILITY

Tenant shall defend, indemnify, and hold harmless the **Landlord** and its employees from and against any and all liability, claims, damages, losses, or expenses, arising out of (i) the negligence or willful misconduct of **Tenant** or its employee's, agent's, contractor's, or invitee's in their operations, actions, conduct or omissions on or about the Premises, except to the extent caused by the negligence or willful misconduct of **Landlord**, its agents, employees or contractors or (ii) **Tenant**'s breach of this Lease. All of **Tenant**'s goods, effects and property shall be upon the Premises at the sole risk and expense of **Tenant** and in no case shall **Tenant** make any claim against **Landlord** for any loss or damage thereto however caused.

Landlord shall defend, indemnify, and hold harmless the **Tenant** and its employees from and against any and all liability, claims, damages, losses, or expenses, arising out of (i) the negligence or willful misconduct of **Landlord** or its employees, agents, contractors, or invitees in their operations, actions, conduct or omissions on or about the Premises, except to the extent caused by the negligence or willful misconduct of **Tenant,** its agents, employees or contractors or (ii) **Landlord**'s breach of this Lease.

19. INSURANCE

Tenant agrees to maintain in full force from the Lease Commencement Date throughout the Lease term and thereafter so long as **Tenant** is in occupancy of any part of the Premises, a policy of Commercial General Liability Insurance with the broad form coverage. The minimum limits of such insurance shall be $[***] per occurrence and $[***] aggregate for Bodily Injury Liability (including death) and Property Damage Liability.

The policy shall also include but shall not be limited to the following extensions of coverage:

(i) Contractual Liability, covering **Tenant**'s liability assumed under this Lease; and

(ii) Personal Injury Liability in the amount of $[***] annual aggregate, expressly deleting the exclusion relating to contractual assumptions of liability.

Tenant agrees to maintain a Workers' Compensation and Employers' Liability Insurance policy. The limits of liability as respects Employers' Liability coverage shall be no less than $[***] per accident.

Except for Workers' Compensation and Employers' Liability coverage, **Tenant** agrees that **Landlord** (and other such persons as are in privity of the estate with **Landlord** as may be set out in notice from time to time) is named as additional insureds. Further, all policies shall be non-cancelable and non-amendable with respect to **Landlord** and **Landlord**'s said designees without thirty (30) days' prior notice to **Landlord**. A duplicate original or a Certificate of Insurance evidencing the above agreements shall be attached hereto and delivered herewith to **Landlord**. Additional insureds presently shall be 1089 Washington Street Limited Partnership and Copley Investments Companies as managing agent for 1089 Washington Street Limited Partnership.

For the period between the Lease Commencement Date and Store Opening, **Tenant** shall obtain a builder's risk insurance policy, with the following risk attributes: (i) **Landlord** and it's

management company Copley Investments Companies to be named as additional insured, (ii) coverage limit of policy shall be replacement cost of existing Building ($[***]) plus total cost of the construction renovation ($[***]) totaling $[***], (iii) deductible amount of policy shall not exceed[***] ($[***]) dollars and shall be the responsibility of the **Tenant** in the case of a loss, (iv) all required insurance must be written by insurance companies licensed to do business in Massachusetts, and (v) all required insurance companies must have a minimum AM Best Rating of A-, VII or better. **Tenant** shall provide **Landlord** with a copy of the policy and any reasonable deficiencies within the policy coverages, and **Tenant** will make best efforts to obtain sufficient coverage.

Landlord reserves the right to reasonably require additional coverage or to increase limits as industry standards change, so long as such additional coverage is then customarily required by **Landlord**s in the Greater Boston area.

Tenant further agrees to maintain during the term and thereafter so long as **Tenant** is in occupancy of any part of the Premises, (i) business interruption insurance in an amount to cover costs, damages, lost income, expenses, Rent, and all other sums payable under this Lease for a period not less than twelve (12) months, (ii) lost rent insurance in favor of **Landlord** sufficient to reimburse **Landlord** for all Rent abated in accordance with Paragraph 20, and (iii) all risk property insurance including theft and sprinkler leakage coverage on all of **Tenant**'s trade fixtures, furniture, inventory and other personal property in the Premises, and on any alterations, additions, or improvements made by **Tenant** upon the Premises all for the full replacement costs thereof. **Tenant** shall use the proceeds from such insurance for the replacement of trade fixtures, furniture, inventory and other personal property and for the restoration of **Tenant**'s improvements, alterations, and additions to the Premises.

20. FIRE, CASUALTY AND EMINENT DOMAIN

A. Fire and Casualty. If, at any time during the term of the Lease and any extension thereto, the Premises shall be damaged in whole or in part by fire, the elements or other casualty, **Tenant**, at **Tenant**'s sole cost, as speedily as circumstances permit, shall repair said damage and restore the Premises to the same condition which existed immediately prior to the occurrence of said casualty. The term shall be tolled by a period of time equal to the time between the date of the casualty and the date on which **Tenant** completes repair and restoration of the Premises. During the restoration, **Tenant** may operate its business out of a temporary structure such as a trailer, subject to compliance with municipal laws. In addition, **Tenant** shall be entitled to an abatement of Rent for the period during which the Premises is rendered incapable of use for the normal conduct of **Tenant**'s business, including a reasonable period, not to exceed ninety (90) days, for **Tenant** to refixture and restock. Said abatement will be pro rated, based on the number of square feet of the Premises which are so rendered untenantable or incapable of such use. Notwithstanding the foregoing, such abatement of Rent shall be effective only for so long as and only to the extent that Landlord is reimbursed for all Rent abated through lost rent insurance provided by Tenant in accordance with Paragraph 19.

The foregoing notwithstanding, provided all insurance required to be carried by **Tenant** pursuant to the terms hereof is in effect and no action of **Tenant** would impair insurance recovery, if the Premises is partially or totally destroyed by fire or other casualty (i) between the Lease

Commencement Date and the Store Opening, the **Tenant**'s builder's risk insurance proceeds shall be used to pay for the repair and restoration of the Premises, or (ii) between Store Opening and the termination of the Lease, the **Landlord's** property insurance proceeds less the deductible shall be provided to **Tenant** to pay for the repair and restoration of the Premises. Should a portion (greater than 50%) of the Building be destroyed by fire or other casualty during the last two (2) years of the initial term, or during the last two (2) years of any extension period, then **Tenant** may elect not to restore the Premises and terminate this Lease upon written notice to **Landlord** within forty-five (45) days of its intention to terminate after such event, and all obligations of **Tenant** shall terminate upon such termination of this Lease and **Landlord** shall be entitled to any insurance proceeds due to occurrence of said casualty.

If **Tenant** shall terminate this Lease pursuant to this Paragraph, then **Tenant** shall assign to **Landlord** all insurance proceeds relating to the Premises (and not to **Tenant's** personal property, computer and other equipment, fixtures and shelving or inventory) and shall reimburse **Landlord** for all applicable insurance deductibles.

B. Eminent Domain. Should a portion (greater than 50%) of the parking area, or a substantial portion (greater than 50%) of the Building, be taken by eminent domain, the **Landlord** may elect to terminate this Lease. The **Tenant** may elect to terminate this Lease if such taking occurs during the last two (2) years of the initial term, or during the last two (2) years of any extension period and **Tenant** gives written notice within forty-five (45) days of its intention to terminate after such taking.

When such taking renders all or a portion of the Premises substantially unsuitable for **Tenant**'s intended use and the **Tenant** elects not to terminate the lease, a just and proportionate abatement of rent shall be made. The **Landlord** reserves, and the **Tenant** grants to the **Landlord**, all rights which the **Tenant** may have for damages or injury to this Premises for any taking by eminent domain, except for damage to the **Tenant**'s fixtures, property, or equipment and relocation costs and business loss.

21. DEFAULT AND BANKRUPTCY

In the event that:

(a) **Tenant** shall default in the payment of any installment of Rent or any other sum herein specified if such default shall continue for five (5) days after receipt of notice from **Landlord** that said payment is due; or

(b) **Tenant** shall default in the observance or performance of any other of **Tenant**'s covenants, agreements, or obligations hereunder and such default shall not be corrected within thirty (30) days after written notice thereof, or in the event such default shall require more than thirty (30) days to be cured, if **Tenant** shall not within such period commence to cure such default, and thereafter, with due diligence, prosecute the curing of such default to completion, but in no event shall such default continue for more than one hundred twenty (120) days in the aggregate; or

(c) **Tenant** or any guarantor of any of **Tenant**'s obligations under this Lease admits in writing that it is not paying its debts as such debts become due, becomes insolvent, files or has

filed against it (and in the case of an involuntary petition such is not dismissed within sixty (60) days after the filing) a petition under any chapter of the U.S. Bankruptcy Code (or any similar petition under any insolvency law of any jurisdiction), proposes any dissolution, liquidation, composition, financial reorganization or recapitalization with creditors, makes an assignment or trust mortgage for the benefit of creditors, or if a receiver, trustee, custodian or similar agent is appointed or takes possession with respect to any property or business of **Tenant** or such guarantor which appointment remains unvacated or unstayed for a period of thirty (30) days, then **Landlord** shall have the right thereafter, to reenter and take complete possession of the Premises, to declare the term of this Lease ended, and remove the **Tenant**'s effects, without prejudice to any remedies which might be otherwise used for arrears of rent or other default. The **Tenant** shall indemnify **Landlord** against all loss of rent and other payments, which **Landlord** may incur, by reason of such termination during the residue of the term. All Rent, utility charges, taxes, and all other charges (including, but not limited to, reasonable attorney's fees, other costs of collection, or costs incurred by **Landlord** arising from a default of **Tenant**'s obligations under this Lease) shall constitute rent due and payable under this Lease. **Landlord** agrees to use reasonable efforts to relet the Premises. If **Tenant** shall default, after reasonable notice thereof (except in the event of an emergency or when necessary to prevent damage to property or injury to persons, in which case no notice shall be necessary), in the observance or performance of any condition or covenants on **Tenant**'s part to be observed or performed under or by virtue of any of the provisions in any article of this Lease, the **Landlord**, without being under any obligation to do so and without thereby waiving such default, may remedy such default for the account and at the expense of the **Tenant**. In the event of a **Tenant** default, if the **Landlord** makes any expenditures or incurs any obligations for the payment of money in connection therewith, including but not limited to, reasonable attorney's fees in instituting, prosecuting or defending any action or proceeding, such sums paid or obligations incurred shall be paid to **Landlord** by **Tenant** as additional rent.

22. NOTICE AND SERVICE OF PROCESS

Any and all notices from the **Landlord** to the **Tenant** relating to the Premises or to the occupancy thereof, shall be in writing and effective upon receipt. All notices shall be sent by (i) registered or certified mail, return receipt requested, postage prepaid, or (ii) a reputable national overnight courier service with receipt therefore, or (iii) hand. Any notice from the **Tenant** to **Landlord** relating to the Premises or to the occupancy thereof shall be addressed to **Landlord** at 10 Newbury Street, Boston, MA 02116. Any notice from the **Landlord** to **Tenant** shall be addressed to **Tenant** at c/o Novus Group, 137 Lewis Wharf, Boston, MA 02110. All rent and notices shall be paid and sent to **Landlord** at 10 Newbury Street, Boston, MA 02116.

23. SURRENDER

The **Tenant** shall at the expiration or other termination of this Lease remove all **Tenant**'s goods and effects from the Premises, (including, without hereby limiting the generality of the foregoing, all signs and lettering affixed or painted by the **Tenant**, either inside or outside the Premises). **Tenant** shall deliver to **Landlord** the Premises and all keys, locks thereto. At the request of the **Landlord**, **Tenant** shall remove all alterations and additions made to or upon the Premises (excluding any of the tenant improvements approved by **Landlord** and constructed by

Tenant at the beginning of the term of the Lease). In the event of the **Tenant**'s failure to remove any of **Tenant**'s property (including trade fixtures such as sinks and shelving) from the Premises, **Landlord** is hereby authorized, without liability to **Tenant** for loss or damage thereto, and at the sole risk of **Tenant**, to remove and store any of the property at **Tenant**'s expense, or to retain same under **Landlord**'s control or to sell at public or private sale, without notice any or all of the property not so removed and to apply the net proceeds of such sale to the payment of any sum due hereunder, or to destroy such property.

24. HOLDOVER

If **Landlord** and **Tenant** have not reached a prior agreement, and **Tenant** remains in the Premises beyond the expiration of this Lease, such holding over shall not be deemed to create any tenancy, but the **Tenant** shall be a **Tenant** at Sufferance only, at a daily rate equal to one and one half (1 - ½) times the rent and other charges under this Lease. However, all conditions of this Lease to be performed by **Tenant** shall continue in force.

25. MUTUAL WAIVER OF SUBROGATION

So long as their insurers so permit, **Landlord** and **Tenant** hereby release each other from any and all liability or responsibility to the other or anyone claiming through or under them by way of subrogation or otherwise for any loss or damage to property caused by fire or any casualty to the extent such loss or damage is covered by insurance actually carried or would have been covered by insurance required to be carried hereunder (whether or not such required insurance is actually carried), even if such fire or other casualty shall have been caused by the fault or negligence of the other party, or anyone for whom such party may be responsible.

26. TRADE FIXTURES AND EQUIPMENT

Any trade fixtures or equipment (as opposed to real estate fixtures) installed in or attached to the Premises by and at the expense of **Tenant** and all other property of **Tenant** which was personal property prior to its installation, shall remain the property of **Tenant** and **Tenant** shall have the right, at any time, to remove same. However, **Tenant** shall promptly repair in a workmanlike manner any damage resulting from such removal, shall plug or close in an approved manner any connection to sources of gas, air, water, electricity or heat or to cooling ducts and shall do whatever is necessary so as to leave the Premises in a reasonable condition as a result of such removal.

27. OPTION TO EXTEND

Provided there is no existing, uncured material default, **Tenant** shall have the option to extend the term hereof without the need of a new instrument for two (2) additional, five (5) year extension terms. **Tenant** must notify **Landlord** in writing, nine (9) months prior to the expiration of the current term, of its election to exercise its option to renew the Lease.

The annual rent for the option terms, reserved in this Lease, and payable hereunder, shall be determined as follows:

i. **Landlord** and **Tenant** shall arrive at a market rent for the extended term.

ii. In the event the parties shall be unable to agree upon a market rent within thirty (30) days following the date when **Tenant** shall have exercised such option, then the market rent shall be determined by arbitration for the fair market value of the Premises by three (3) arbitrators, one chosen by **Landlord**, one chosen by **Tenant** and a third chosen by the two so chosen, and in accordance with rules and procedures set forth by the American Arbitration Association, or its successor/ substitute body. Each of the arbitrators shall be members of the American Institute of Real Estate Appraisers. The expense of arbitration shall be shared equally by **Landlord** and **Tenant** and the decision of the arbitrators shall be final and binding upon the parties.

iii. In no event shall the annual rent for any year of the extended term, be less than the annual rent for the preceding year.

28. ACTS OF GOD

With the exception of payments of fixed or additional rent, in any case where either party hereto is required to do any act, delays caused by or resulting from Acts of God, war, civil commotion, fire, flood or other casualty, labor difficulties, shortages of labor, materials or equipment, government regulations, unusually severe weather, or other causes beyond such parties reasonable control shall not be counted in determining the time during which work shall be completed, whether such time be designated by a fixed date, a fixed time, or a "reasonable time", and such time shall be deemed to be extended by the period of such delay.

29. SELF HELP

If **Tenant** shall default in the performance or observance of any agreement, condition or other provision in this Lease contained on its part to be performed or observed, and shall not cure such default within the applicable cure and notice period herein specified, **Landlord** may, at its option, without waiving any claim for breach of agreement, at any time thereafter, and with prior written notice to **Tenant**, cure such default for the account of the **Tenant** and the **Tenant** shall reimburse **Landlord** for any reasonable amount paid and any expense or contractual liability so incurred. **Landlord** may cure the default of the **Tenant** prior to the expiration of such waiting period if **Landlord** deems it is necessary to protect the real estate or interest of **Landlord** and other tenant’s of **Landlord** thereon or to prevent injury or damage to persons or property. Any amount payable by **Tenant** to **Landlord** pursuant to the provisions of this provision shall be paid as part of and at the time for payment of the next installment of minimum rent thereafter coming due.

30. ESTOPPEL CERTIFICATES

(a) Within 30 days after each request by **Landlord**, **Tenant** shall deliver an estoppel certificate to **Landlord**. Estoppel certificates shall be in writing, shall be acknowledged, and shall be in proper form for recording. Each estoppel certificate shall be certified to **Landlord**, any Mortgagee, and any assignee of any Mortgagee, any purchaser, or any other person specified by **Landlord**.

(b) Each estoppel certificate shall contain the following information certified by the person or persons executing it on behalf of **Tenant**: (i) whether or not **Tenant** is in possession of the

Premises, (ii) whether or not this Lease is unmodified and in full force and effect (If there has been a modification of this Lease the certificate shall state that this Lease is in full force and effect as modified, and shall set for the modification), (iii) whether or not **Tenant** contends that **Landlord** is in default under this Lease in any respect, (iv) whether or not there are then existing set-offs or defenses against the enforcement of any right or remedy of **Landlord**, or any duty or obligation of **Tenant** (and if so, specify the same), (v) the dates, if any, to which any rent or charges have been paid in advance and (vi) such other matters as may be reasonably requested by **Landlord**.

31. RULES AND REGULATIONS

Intentionally omitted.

32. MECHANIC'S LIEN

Tenant shall not permit any mechanics' liens, or similar liens, to remain upon the Premises for labor and material furnished to **Tenant** in connection with work of any character performed or claimed to have been performed at the direction of **Tenant**. **Tenant** agrees promptly to discharge (either by payment or by filing of the necessary bond, or otherwise) and without cost to **Landlord** any mechanic's, material men's, or other lien against the Premises and/or **Landlord**'s interest therein, which lien may arise out of any payment due for, or purported to be due for, any labor, services, materials, supplies, or equipment alleged to have been furnished to or for the **Tenant**, in upon or about the Premises.

33. QUIET ENJOYMENT

Landlord covenants and agrees with **Tenant** that **Tenant** on paying the Construction Base Rent, Base Rent and Additional Rent and performing obligations of **Tenant** in this Lease, so long as no default beyond applicable cure periods shall exist, shall and may peaceably and quietly have, hold and enjoy the Premises hereby demised for the intended purpose as herein before provided, subject to the terms and provisions hereof.

34. PERSONS AND PROPERTY BOUND

The word "**Landlord**" wherever used herein shall comprehend and bind the **Landlord**, their successors and assigns and the word "**Tenant**" wherever used herein, shall comprehend and bind the **Tenant**, its successors and assigns or those in any manner claiming through or under said **Tenant**, in each and every case where the context so allows or admits and whether so expressed or not. **Tenant** hereby agrees for itself and each succeeding holder of **Tenant**'s interest, or any portion thereof, hereunder, that any judgment, decree or award obtained against the **Landlord** or any succeeding owner of **Landlord**'s interest, which is in any manner related to this Lease, the Premises, or **Tenant**'s use or occupancy of the Premises or the common areas of the Premises owned by the **Landlord**, whether at law or in equity shall be satisfied out of the **Landlord**'s equity in the land and building to the extent then owned by the **Landlord** or such succeeding owner (or to the proceeds or sale, refinancing, insurance awards or condemnation awards), and further agrees to look only to such assets and to no other assets of the **Landlord**, or such succeeding owner for satisfaction. The obligations of **Landlord** under this Lease do not constitute personal obligations of the members, trustees, individual partners, directors, officers or

shareholders of **Landlord** or any constituent entity of **Landlord**, and **Tenant** shall not seek recourse against the members, trustees, partners, directors, officers or shareholders of **Landlord** or any constituent entity of **Landlord**, or any of their personal assets for satisfaction of any liability with respect to this Lease. In the event of a transfer of the **Landlord's** interest in the Premises, the Security Deposit shall be paid to **Landlord's** successor, and **Landlord's** successor shall provide **Tenant** with written confirmation that it has possession of the Security Deposit.

35. ENTIRE AGREEMENT

This Lease contains the entire agreement between the parties and shall not be modified or amended in any manner except by an instrument in writing executed by authorized representatives of both ~~the~~ parties. All negotiations, considerations, representations and understandings between **Landlord** and **Tenant** are integrated herein.

36. COST AND EXPENSE

Wherever in this Lease provision is made for the doing of any act by any person, it is understood and agreed that said act shall be done by such person at its own cost and expense, unless a contrary intent is expressed.

37. WHEN LEASE BECOMES BINDING

The submission of this document for examination and negotiation does not constitute an offer to Lease, or a reservation of, or option for, the Premises, and this document shall become effective and binding only upon the execution and delivery hereof by both **Landlord** and **Tenant**

38. ASSIGNMENT OF RENTS

With reference to any assignment by **Landlord** of **Landlord**'s interest in this Lease, or the rents payable hereunder, conditioned in nature or otherwise, which assignment is made to the holder of the first mortgage on the Premises, **Tenant** agrees that:

(a) the execution thereof by **Landlord**, and the acceptance thereof by the holder of such mortgage, shall never be deemed an assumption by such holder of any of the obligations of **Landlord** hereunder, unless such holder shall, by written notice sent to **Tenant**, specifically elect; and

(b) except as aforesaid, such holder shall be treated as having assumed **Landlord**'s obligations hereunder only upon the foreclosure of such holder's mortgage or the taking of possession of the Premises and its specific agreement to do so.

39. WAIVER

Failure on the part of either party to complain of any action or non-action on the part of the other, no matter how long the same may continue, shall never be deemed to be a waiver by said party or any of its rights hereunder. Further, it is covenanted and agreed that no waiver at any time of any of the provisions hereof shall be construed as a waiver of any of the other provisions hereof and that a waiver at any time of any of the provisions hereof shall not be construed as a waiver at any subsequent time of the same provisions. The consent or approval by either party to or of any

action by the other requiring said party's consent or approval shall not be deemed to waive or render unnecessary said party's consent or approval to or of any subsequent similar act by the other.

No payment by **Tenant**, or acceptance by **Landlord**, of a lesser amount than shall be due from **Tenant** to **Landlord** shall be treated otherwise than as a payment on account. The acceptance by **Landlord** of a check for a lesser amount, with an endorsement or statement thereon, or upon any letter accompanying such check, that such lesser amount is payment in full, shall be given no effect, and **Landlord** may accept such check without prejudice to any rights or remedies which **Landlord** may have against **Tenant**.

40. PARAGRAPH HEADINGS

The paragraph headings throughout this instrument are for the convenience and reference only, and the words contained therein shall in no way be held to explain, modify, amplify or aid in the interpretation, construction or meaning of the provisions of this Lease.

41. GOVERNING LAW, VENUE, AND SERVICE OF PROCESS

This Lease, including the validity hereof and the rights and obligations of the parties hereunder shall be construed in accordance with and governed by the laws of the Commonwealth of Massachusetts. Each of the parties hereto agrees that any action or proceeding brought to enforce the rights or obligations of any party hereto under this Lease may be commenced and maintained only in any court of competent jurisdiction located in the Commonwealth of Massachusetts. Each of the parties hereto further agrees that process may be served upon it by certified mail, return receipt requested, addressed as more generally provided in Paragraph 22 hereof, and consents to the exercise of jurisdiction over it and its properties with respect to any action suit or proceeding arising out of or in connection with this Lease or transactions contemplated hereby or the enforcement of any rights under this Lease.

42. PARTIAL INVALIDITY

If any provision of this Lease or portion of such provision of the application thereof to any person or circumstance is for any reason held invalid or unenforceable, the remainder of the Lease (including the remainder of such provisions) and the applications thereof to the persons or circumstances shall not be affected thereby.

43. TENANT AUTHORITY

Each person executing this Lease on behalf of **Tenant** does hereby covenant and warrant that (i) **Tenant** is duly incorporated and validly existing in the laws of its state of incorporation, organization or formation, (ii) **Tenant** has and is qualified to do business in Massachusetts, (iii) **Tenant** has full right and authority to enter into this Lease and to perform all **Tenant**'s obligations hereunder, and (iv) each person signing this Lease on behalf of **Tenant** is duly and validly authorized to do so.

44. WAIVER OF JURY TRIAL

Landlord and **Tenant** each hereby waives all right to trial by jury in any claim, action, proceeding or counterclaim by either party against the other on any matters arising out of or in any way connected with this Lease, the relationship of **Landlord** and **Tenant** and/or **Tenant**'s use or occupancy of the Premises.

45. BROKER

Landlord and **Tenant** each warrants and represents that it has only dealt with Mike Jezienicki of Boston Realty Advisors in connection with the execution of this Lease. Each shall indemnify the other against the claims and demands of any broker arising out of this lease, including without limitation all costs and expenses in defending such claim, including reasonable attorney's fees if representation proves untrue. **Tenant** shall be responsible to pay the real estate commission to Boston Realty Advisors per a separate agreement. **Landlord** shall not be liable for any brokerage fees in connection with this lease. If **Tenant** exercises its right to purchase the Premises per Paragraph 52, **Landlord** shall have no obligation to pay the real estate commission to Boston Realty Advisors. **Tenant** shall indemnify **Landlord** against all costs and expenses in defending such claim, including reasonable attorney's fees if representation proves untrue.

46. SIGNAGE

Tenant shall have the right to erect and maintain throughout the term of this Lease and any extensions thereto, an exterior sign on the roof and front and sides of the Building, provided **Tenant** (i) conforms with all ordinances of the City of Newton or the appropriate local authority and, (ii) obtains **Landlord**'s consent to the design and construction of **Tenant**'s signage. At the end of the term, the **Tenant** shall remove its sign and repair, in a workmanlike manner, any damage to the facade caused by the removal of its sign. **Tenant** may also add additional signage mounted on the inside of the glass within the Premises.

47. HVAC EQUIPEMNT

As of the Lease Commencement Date, **Landlord** represents and warrants to **Tenant** that the HVAC equipment is in proper working order and condition, and **Landlord** shall assign to **Tenant** the benefit of any manufacturers or installer's warranty. During the entire term of this lease or any extensions thereto, **Tenant** shall be responsible to keep the heating, ventilating, and air conditioning (HVAC) equipment serving the Premises in good repair, order, and condition and shall pay all charges in connection with the repair, maintenance, and replacement if necessary of the HVAC. In connection herewith, **Tenant** shall secure a maintenance contract on the HVAC equipment with a reputable HVAC contractor and at a minimum send copies of semiannual maintenance and service reports to **Landlord**.

48. TENANT'S RENOVATIONS

In the event **Tenant** shall renovate the Premises it shall do so at its sole cost and expense and in accordance with plans and specifications first approved by **Landlord**, which approval shall not be unreasonably withheld or delayed. **Tenant** represents and warrants that such plans are in conformity with all applicable building, fire, health and zoning laws or ordinances of the City of

Newton. After the plans have been completed by the **Tenant**'s architect, **Tenant** shall obtain its permits and approvals required for construction of the renovations. After obtaining such permits and approvals, **Tenant** agrees to commence renovations promptly and to proceed continuously with all due diligence so far as same is within **Tenant**'s control, using new and first quality materials and done in a good and workmanlike manner. **Tenant** shall construct the renovations for the Premises in accordance with the plans set forth in Exhibit B. Before commencing construction, **Tenant** shall furnish to **Landlord** satisfactory proof that the contractor doing the renovations has workmen's compensation insurance.

With written approval from **Landlord**, **Landlord** permits **Tenant** to demo the back approximate 3,500 square foot portion of the Building after the Completion Guarantee has been provided and shall have no restoration obligations (to the original 8,500 square foot configuration) beyond security provisions.

Tenant is solely responsible for the entire cost of their signage, permitting, and all renovations for the Premises. **Tenant** is responsible to obtain all licenses, permits, certificates, etc. to legally operate from the Premises.

49. LEGAL FEES

If either **Landlord** or **Tenant** shall commence any legal proceedings against the other with respect to any of the terms and conditions of this Lease, the non-prevailing party shall pay to the other all reasonable expenses of the litigation, including reasonable attorney fees as may be fixed by the court having jurisdiction over the matter.

50. SNOW / ICE REMOVAL

Tenant agrees to comply with all ordinances of the City of Newton relative to the removal of ice and snow from the front and rear sidewalks and entrances appurtenant to the Premises. This area in front is defined as the sidewalk extending along the frontage of the Premises to the street curb.

Tenant, at its sole cost, shall be responsible for the removal of snow and ice from the parking lot.

51. LANDLORD’S RENOVATIONS

Per the PSA, **Landlord,** at its expense, shall deliver the Premises to **Tenant** with the following items in place on or before the Lease Commencement Date, constructed in a good and workmanlike manner, and with any mechanical, electrical or plumbing equipment and fixtures in good working condition and in compliance with all applicable codes:

1. Finish installation of four (4) new HVAC units with gas and power wiring. Units are currently in place on the roof, electric wiring is done, Landlord needs to finish gas piping and start up. ***Work is complete.***
2. Installation of new rubber roof. Specifications of roof, including warranty, are subject to Buyer’s review and approval, not to be unreasonably withheld. ***Work is complete.***

3. $[***] credit towards the completion of new sanitary sewer line in cement slab substantially as currently laid out, with capped line, and back filled trenches level with cement, or removal of all or substantially all of such new sanitary line leaving the Building connected to the municipal system, with back filled trenches level with cement**.**

4. Remainder of the Premises to be delivered in its "AS IS" condition.

Landlord shall assign to **Tenant** the benefit of any warranty provided by a manufacturer or other third party.

52. RIGHT OF FIRST OFFER TO PURCHASE THE PREMISES

Landlord shall not sell the Premises unless **Landlord** first provides a written offer to **Tenant** to purchase the Premises, the "Offer". The Offer shall collectively include the proposed purchase price, an updated environmental report, and a proposed purchase and sale agreement ("Proposed PSA") upon which terms **Landlord** desires to sell the Premises. **Tenant** shall then have the right to purchase the Premises by executing the Proposed PSA within fourteen (14) days after **Tenant's** receipt of the Offer from **Landlord** and provide a nonrefundable deposit to **Landlord** equal to [***] ([***]%) percent of the proposed purchase price, the "Deposit". The Proposed PSA shall substantially be in the form of the previous PSA, herein attached as Exhibit C.

If **Tenant** timely executes the Proposed PSA and provides the correct Deposit, then **Tenant** shall have the right and obligation to purchase the Premises upon the terms set forth in the Proposed PSA and must close on the Premises within forty-five (45) days from the date **Landlord** receives the executed Proposed PSA. If **Tenant** timely executes the Proposed PSA and provides the correct Deposit but fails to perform by not closing on the Premises within forty-five (45) days, then **Tenant** shall forfeit the Deposit and this Paragraph 52 Right of First Offer To Purchase The Premises shall no longer be in force and effect.

If **Tenant** either rejects the Offer or does not timely execute the Proposed PSA or provide the correct Deposit, then **Landlord** shall be free to sell the Premises to a third-party person or entity upon terms and conditions not less favorable to **Landlord** in any material respect than the Proposed PSA without further obligation to **Tenant**, except that the purchase price may be as much as [***] percent ([***]%) less than that reflected in the Offer. If after **Tenant** either rejects the Offer or does not timely execute the Proposed PSA or provide the correct Deposit, and **Landlord** desires to offer the Premises for sale upon terms that are materially less favorable to **Landlord** than the Proposed PSA and/or at a purchase price that is more than [***] percent ([***]%) less than the purchase price stated in the Proposed PSA, then **Landlord** must resubmit an Offer in accordance with the procedures set forth above. However, if the new Offer to **Tenant** is given not more than one hundred eighty (180) days after the previous Offer to **Tenant**, then **Tenant**'s time to execute the Proposed PSA pursuant to such new Offer shall be reduced to five (5) days.

Should **Landlord** be free to sell the Premises to a third-party person or entity upon the terms and conditions set forth herein, and fail to convey the Premises to a third-party person or entity within twelve (12) months from the date the Offer expires, the **Landlord** shall be obligated to provide **Tenant** a new Offer if it wishes to sell the Premises thereafter.

53. FINANCIAL REPORTING

Tenant shall provide to **Landlord** within ten (10) days following written request copies of **Tenant**'s and Guarantor's annual financial statements and such other information regarding **Tenant**'s and Guarantor's financial condition as may be so reasonably requested, but not more than two (2) times per twelve (12) month period; provided such information shall, to the extent the same is not publicly available, be treated as confidential information of **Tenant** and / or Guarantor.

If **Landlord** desires to finance, refinance, or sell the Premises, or any part thereof, **Tenant** hereby agrees to deliver to any lender or purchaser designated by **Landlord** such financial statements of **Tenant** as may be reasonably required by such lender or purchaser.

54. FIRE PROTECTION EQUIPMENT

Tenant shall maintain and be responsible for the cost of the service agreement with American Alarm Company, for periodic tests and inspections of the fire/sprinkler alarm devices at the Premises. All other testing, maintenance, service and repair required of the fire protection equipment shall be the responsibility of **Tenant** to undertake. All annual reports regarding the inspections and testing shall be sent to **Landlord** in a timely fashion. The failure of any equipment installed or delivered by **Landlord** as of the Commencement Date shall be **Tenant's** responsibility.

55. TIME IS OF THE ESSENCE

Landlord and **Tenant** hereby agree that time is of the essence with respect to performance of each of the parties' obligations under this Lease. **Landlord** and **Tenant** agree that, in the event that any date on which performance is to occur falls on a Saturday, Sunday, or state or national holiday, then the time for such performance shall be extended until the next business day thereafter occurring.

IN WITNESS WHEREOF, the **Landlord** and **Tenant** have hereunto set their hands and common seals on May 13 , 2020.

LANDLORD:
1089 Washington Street L.P.
By its general partner
Copley General II, Inc.

/s/ Gary B. Simon
Gary B. Simon, President

TENANT:
Ascend Mass, LLC

/s/ Francis Perullo
Francis Perullo, Manager

CLERK'S CERTIFICATE

I, Daniel DiPietro, as the Clerk of Ascend Mass, LLC, a Massachusetts limited liability company (the "Company"), hereby certify that approval was given for the Company, as **Tenant**, to enter into a fifteen (15) year lease with an option to extend for two (2) additional five (5) year terms, with 1089 Washington Street Limited Partnership, as **Landlord**, for approximately 8,500 square feet of space at 1089 Washington Street, West Newton, MA., at an annual first year base rental rate of $900,000.00.

I further certify that Francis Perullo, as Manager, has the authority to execute and deliver to the **Landlord** a lease on behalf of the Company upon the above terms.

Witness my hand and seal this 13th day of May, 2020.

/s/ Dan DiPietro

GUARANTY

FOR VALUE RECEIVED, and in consideration of the execution and delivery of the within Lease, dated May 13, 2020, by and between 1089 Washington Street Limited Partnership, as **Landlord**, and Ascend Mass, LLC, as **Tenant**, ("the Lease"), the undersigned Ascend Wellness Holdings, LLC ("Guarantor") hereby unconditionally guarantees to **Landlord** the full performance and observance of all the covenants, conditions, rent charges, and agreements therein provided to be performed and observed by the **Tenant** and, if applicable, Tenant's successors and assigns, during the entire term of the Lease and any extensions thereto, and expressly agree that the validity of this agreement and the obligations of the Guarantor hereunder shall in no way be terminated, affected or impaired by reason of the granting by the **Landlord** of any indulgences to **Tenant** or by reason of the assertion by **Landlord** against **Tenant** of any of the rights or remedies reserved to **Landlord** pursuant to the provisions of the within Lease or by relief of the **Tenant** from any of **Tenant**'s obligations under said Lease by operation of law or otherwise (including, but without limitation, the rejection of the said Lease in connection with proceedings under the bankruptcy laws now or hereafter enacted); the Guarantor hereby waive all surety ship defenses.

The Guarantor further covenant and agree that this guaranty shall remain and continue in full force and effect, throughout the initial fifteen (15) year period and any renewal, modification or extension of this Lease. The Guarantor further agrees that their liability under this guaranty shall be primary, and that in any right of action which shall accrue to the **Landlord** under said Lease, the **Landlord** may, at its option, proceed against the Guarantor and the **Tenant**, jointly and severally, and may proceed against the Guarantor without having commenced any action against or having obtained any judgment against the **Tenant**.

It is agreed that the failure of the **Landlord** to insist in any one or more instances upon a strict performance or observance of any of the terms, provisions or covenants of the foregoing Lease or to exercise any right there in contained shall not be construed or deemed to be a waiver or relinquishment for the future of such term, provision, covenant or right; but the same shall continue and remain in full force and effect. Receipt of the rent by the **Landlord** with

knowledge of the breach of any provisions of the foregoing Lease shall not be deemed a waiver of such breach.

It is further agreed that all of the terms and provisions hereof shall inure to the benefit of the respective heirs, executors, administrators, successors and assigns of the **Landlord**, and shall be binding upon the respective heirs, executors, administrators and assigns of the undersigned.

IN WITNESS THEREOF, the undersigned has caused this Guaranty to be executed on the 13th day of May 2020.

/s/ Francis Perullo

Ascend Wellness Holdings, LLC

EXHIBIT A

Site Plan To Be Included

EXHIBIT B

Construction Plans and Schedule To Be Included

EXHIBIT C

Original PSA To Be Included

CONFIDENTIAL TREATMENT REQUESTED - REDACTED COPY

LEASE AGREEMENT

BY AND BETWEEN

174 ROCHELLE LLC, Landlord

- and –

GREENLEAF COMPASSION CENTER, Tenant

Dated: December 19, 2019

Certain identified information has been omitted from this exhibit because it is not material and would likely cause competitive harm to the registrant if publicly disclosed. [***] indicates that information has been omitted.

In consideration of the rents and covenants hereinafter set forth, Landlord hereby leases to Tenant, and Tenant hereby rents from Landlord the following described premises upon the following terms and conditions:

BASIC LEASE PROVISIONS

Date:	December 19, 2019
Property:	174 Route 17 North, Rochelle Park, New Jersey
Premises:	The premises consisting of approximately seven thousand, six hundred (7,600) square feet of Net Floor Area, being the premises crosshatched on Exhibit A and consisting of five thousand, two hundred (5,200) square feet of ground floor space and two thousand, four hundred (2,400) square feet of mezzanine space.
Landlord:	174 Rochelle LLC, a New Jersey limited liability company
Tenant:	Greenleaf Compassion Center, a New Jersey non-profit corporation
Tenant's Trade Name:	
Lease Term:	Ten (10) years (Section 2.01)
Commencement Date:	The date upon which Landlord shall deliver physical vacant, broom clean possession of the Premises to Tenant with Landlord's Work (as hereinafter defined) substantially completed.
Rent Commencement Date:	Shall mean the date on which Tenant shall begin paying to Landlord the first month's Rent, which shall be the earlier of (i) one hundred twenty (120) days from the execution of this Lease; (ii) receipt of all unappeallable municipal approvals necessary for the use of the Premises and the New Jersey Department of Health's approval for the satellite dispensary as provided in Section 2.01(B); or (iii) an earlier date chosen by Tenant.
Expiration Date:	Ten (10) years from the last day of the month in which the Rent Commencement Date shall occur, unless earlier terminated in accordance with the terms hereof.
Lease Year:	The first Lease Year shall be the period commencing on the Rent Commencement Date and ending twelve (12) months after the last day of the month in which the Rent Commencement Date occurs, and each succeeding twelve (12) month period shall be a Lease Year.
Basic Rent:	Term Basic Rent: Basic Rent throughout the Term shall be payable as follows:

Lease Year	Annual Basic Rent	Monthly Basic Rent
1	$456,000.00	$38,000.00
2	$465,120.00	$38,760.00
3	$474,422.40	$39,535.20
4	$483,910.85	$40,325.90
5	$493,589.06	$41,132.42
6	$503,460.85	$41,955.07
7	$513,530.06	$42,794.17
8	$523,800.66	$43,650.06
9	$534,276.68	$44,523.06
10	$544,962.21	$45,413.52

Use of Premises: The Premises shall be used for a medical marijuana dispensary and for no other use whatsoever.

Floor Area of Premises: Approximately seven thousand, six hundred (7,600) square feet (Section 16.03)

Floor Area of Property: Approximately Twenty Six Thousand (26,000) square feet of building area (as of the date of this Lease, subject to change pursuant to Section 13.01)

Security Deposit: $456,000.00. (Section 15.01)

Real Estate Broker: None. (Section 16.09)

Address and Email for Notices: To Landlord:

174 Rochelle LLC
[REDACTED]
[REDACTED]
Email: [REDACTED]

With a Copy to:

174 Rochelle LLC
[REDACTED]

[REDACTED]

And:

Joseph L. Basralian, Esq.
Winne, Banta, Basralian & Kahn, P.C.
Court Plaza South – East Wing
21 Main Street, Suite 101
P. O. Box 647
Hackensack, New Jersey 07601-0647
Email: jbasralian@winnebanta.com

To Tenant:

Greenleaf Compassion Center
395 Bloomfield Avenue
Montclair, New Jersey 07042
Attention:
Email:

With copy to:

James DiGiulio, Esq.
O'Toole Scrivo, LLC
Cedar Grove, New Jersey 07928
Email: jdigiulio@oslaw.com

All notices from one party to another hereunder shall be in writing and sent by United States mail registered or certified, postage prepaid, sent by a nationally recognized delivery service which affords receipted delivery or sent by electronic transmission with a copy sent by first class mail. Any notice so given shall be deemed given (i) on the date of delivery if given via commercial delivery service (unless such date is a weekend or a holiday in which event such notice shall be deemed given on the next business day) (ii) on the date of receipt or rejection, if sent via certified or registered mail, (iii) on the Business Day next succeeding the date upon which such notice is given to any nationally recognized overnight courier or (iv) immediately upon delivery and confirmation of receipt if sent by electronic transmission. Either party may by written notice to the other specify a different address for notice purposes.

Address for Rent Payments:	174 Rochelle LLC [REDACTED] [REDACTED]
Tenant's Proportionate Share:	[***]%

The Basic Lease Provisions are an integral part of this Lease and each reference in this Lease to any of the Basic Lease Provisions shall be construed to incorporate all of the terms provided under each such Basic Lease Provision. In the event of any conflict between any Basic Lease Provision and the balance of the Lease, the latter shall control. References to specific sections are for convenience and designate only certain of the sections where references to the particular Basic Lease provisions appear.

ARTICLE I

Premises

Section 1.01. Premises Defined. Landlord hereby leases to Tenant and Tenant hereby hires from Landlord those certain Premises defined in the Basic Lease Provisions more particularly described on Exhibit A and wherein the Premises are crosshatched, for the Term, at the rental, and upon all of the conditions and agreements set forth herein.

ARTICLE II

Term

Section 2.01. Length of Term and Rent Commencement Date. (A) The Tenant shall commence the payment of Basic Rent and Additional Rent on the Rent Commencement Date (as herein defined) and the Term of this Lease shall be for the period specified as the Term in the Basic Lease Provisions commencing on the Rent Commencement Date and expiring at the end of such Term (unless sooner terminated pursuant to the provisions hereof).

(B) If, for any reason whatsoever (without extension due to Force Majeure), receipt of all unappeallable municipal approvals necessary for the use of the premises and the New Jersey Department of Health's approval for the satellite dispensary does not occur on or prior to one hundred twenty (120) days from the execution of this Lease, ``either party may cancel this Lease upon notice to the other. In such event, this Lease and related documents, including the Limited Recourse Promissory Note and Mortgage, Security Agreement, Assignments of Leases and Rents and Fixture Filing entered into by the parties, shall be deemed cancelled, all sums deposited by Tenant with Landlord shall be returned (provided that Tenant shall not then be in default), and thereafter, neither party shall have any further rights or obligations hereunder. The right to terminate shall be absolute and may be exercised unilaterally by either party prior to the occurrence of the Rent Commencement Date, provided, however, in the event Landlord terminates this Lease, Tenant may elect within five (5) days of Landlord's termination notice to commence payment as provided herein, in which case this Lease shall remain in full force and effect.

(C) In the event that Landlord violates the exclusivity provisions set forth in Exhibit F of this Lease, Tenant shall have the unilateral right to terminate this Lease Agreement subject to the provisions of this Section 2.01(B). Tenant shall also have the right to exercise all available options at law or equity in addition to any rights set forth in this Lease Agreement and such rights shall be deemed cumulative and not sole and exclusive. The parties each agree to use commercially reasonable efforts to satisfy the respective subject conditions.

ARTICLE III

Rent

Section 3.01. Basic Rent. Tenant shall pay Landlord the Basic Rent for the Term as stated in the Basic Lease Provisions (with the Basic Rent payable in such amounts during each Lease Year as reflected in the Basic Lease Provisions). The Term Basic Rent shall be payable in monthly installments as set forth in the Basic Lease Provisions for each full calendar month during the Lease Term. Basic Rent shall be payable in advance upon the first day of each calendar month without any counterclaim, deduction or offset except as set forth herein. The Basic Rent and Additional Rent for any fractional part of a calendar month at the beginning or end of the Lease Term, as applicable, shall be paid as a proportionate part of the Basic Rent and Additional Rent for the corresponding full calendar month. All sums payable to Landlord other than Basic Rent shall be considered "Additional Rent", for the nonpayment of which Landlord

shall have the same remedies as for nonpayment of Basic Rent**.** All payments of Rent and/or Additional Rent shall be made by wire transfer or ACH payment.

ARTICLE IV

Taxes

Section 4.01. Real Property Taxes. Commencing on the Rent Commencement Date and on the first day of each month during the Lease Term thereafter, Tenant shall pay to Landlord as Additional Rent, in advance, an amount obtained by dividing by twelve (12) Tenant's Proportionate Share of the Real Property Taxes. If, on the first day of the month in question, the amount of any tax payable during the then current calendar year shall not have been determined by the taxing authority, then the Real Property Taxes then payable by Tenant shall be based on the amount of the corresponding tax for the immediately preceding tax year subject to immediate adjustment when the amount of such tax shall be determined and billed by Landlord, in which event Tenant shall pay the amount required to be paid as a result of said adjustment within thirty (30) days following Tenant's receipt of a bill therefor. Notwithstanding the foregoing, (i) as to any special assessments which may be paid in annual installments, only the amount of such annual installment (with appropriate proration for any partial year) shall be included within the computation of Tenant's Proportionate Share of the Real Property Taxes for any particular year, and if such assessment may not be paid in installments, Tenant shall only be responsible for Tenant's Proportionate Share of the amortized portion, based on the useful life of the improvement under New Jersey Law and the remaining term of the Lease, including any exercised renewal options; (ii) Tenant shall not be responsible for any future rent tax and (iii) Tenant shall not be responsible for any fines, penalties or late fees for the late payment of Real Estate Taxes by Landlord. **.**

Section 4.02. Definitions. The term "Real Property Taxes" shall include all taxes, assessments, and governmental charges levied upon or with respect to the real property and improvements (or any future tax levied in lieu of or in addition to Real Property Taxes) on the Property, or any other tax, or such other actual and reasonable out-of-pocket costs and fees incurred by Landlord in contesting all taxes and/or negotiating with any public authorities with respect thereto; provided, however, that the term "Real Property Taxes" shall not include any franchise, estate, inheritance, succession, capital levy, gift, transfer, rent, excise, unincorporated business, sales, utility, mortgage, estate, net income or excess profits taxes imposed upon Landlord, nor shall it include any assessment imposed as a result of the development and construction of the Property and/or the Premises or any special assessments levied against another tenant or occupant in the Property due to improvements made by such other tenant or occupant, or any penalties, late charges or interest incurred by reason of Landlord's failure to make timely payment of Real Property Taxes.

Section 4.03. Personal Property Taxes. Tenant shall pay before delinquency all personal taxes and assessments on the furniture, fixtures, equipment and other property of Tenant located in the Premises and on additions and improvements in the Premises belonging to Tenant.

Section 4.04. Reconciliation. Landlord shall, after the end of each calendar year, furnish to Tenant a statement (which statement shall include a copy of the relevant quarterly Real Estate Tax bill or bills) of the actual amount of Tenant's Proportionate Share for the preceding calendar year. If the amount paid by Tenant hereunder is less than the actual amount of Tenant's Proportionate Share for said calendar year, Tenant shall, within thirty (30) days after receipt of Landlord's statement, pay to Landlord the deficiency. If the amount paid by Tenant hereunder exceeds the actual amount of Tenant's Proportionate Share for said calendar year, such excess shall be credited against the next monthly installment or installments of Tenant's Proportionate Share due from Tenant to Landlord hereunder, or shall be refunded to Tenant if such excess relates to the calendar year in which the Lease Term expires.

ARTICLE V

Conduct of Business by Tenant

Section 5.01. Use of Premises. Tenant shall use the Premises for the purpose stated in the Basic Lease Provisions and for no other purpose. In addition, Tenant further covenants and agrees that it will not use or suffer or permit any person or persons to use the Premises or any part thereof in violation of the laws, ordinances, regulations and requirements of the State, County and City where the Property is situated, or other lawful authorities. Tenant shall obtain all permits and/or approvals required for the purposes stated in the Basic Lease Provisions.

Section 5.02. Restrictions on Use. (A) Tenant shall not use or permit the Premises to be used for any purpose other than that set forth in Section 5.01, and shall comply promptly with all present and future applicable statutes, ordinances, rules, regulations, orders and requirements regulating the use by Tenant of the Premises. Tenant shall not use or permit the use of the Premises in any manner that will create a nuisance or unreasonably disturb other tenants or occupants of the Property.

(B) Tenant shall comply at all times with the Rules and Regulations attached to this Lease as Exhibit B and such amendments and modifications thereof and additions thereto as Landlord may from time to time reasonably adopt for the safety, care and cleanliness of the Property or the preservation of good order therein; provided, however no modifications to the Rules and Regulations shall, to more than a de minimus extent, (i) increase Tenant's obligations or decrease Tenant's rights, or (ii) increase Landlord's rights or decrease Landlord's obligations. Landlord shall not be liable to Tenant for the failure of any tenant or other person to comply with such Rules and Regulations. Rules and Regulations promulgated by Landlord shall be on reasonable notice to Tenant and enforced in a non-discriminatory manner. In the event of a conflict between the Rules and Regulations and this Lease, the provisions of this Lease shall control.

(C) Tenant shall indemnify and hold Landlord and its members and employees harmless from and against any and all costs, expenses, damages, fines, penalties and amercements of any and every kind whatsoever, suffered or incurred by any of them by reason of the conduct of the use permitted hereunder at the Premises, including, without limitation, any forfeiture.

ARTICLE VI

Maintenance, Repairs and Alterations

Section 6.01. Landlord's Obligations. (A) Subject to the provisions of Article VIII hereof, Landlord shall during the Term of this Lease keep in first-class order, condition and repair the foundations, exterior walls (excluding the interior surface of exterior walls and excluding all windows, doors, plate glass and showcases), downspouts, gutters and roof of the Premises, and other structural portions of the Premises, and Property plumbing, electrical, mechanical, and sprinkler systems (only to the point of connection to the Premises) except for reasonable wear and tear; provided, however, that Landlord shall have no obligation to repair until a reasonable time after the receipt by Landlord of notice of the need for repairs. Tenant shall reimburse Landlord for the actual out-of-pocket cost thereof within thirty (30) days following Tenant's receipt of an invoice for such work, said costs to be allocated as provided in Section 13.05. Tenant agrees that it will promptly notify Landlord of the need for any such repair after Tenant becomes aware of same. Tenant waives the provisions of any law permitting Tenant to make repairs at Landlord's expense. Notwithstanding anything to the contrary in this Lease, there is reserved to Landlord the use of the exterior walls and roof and the right to install, maintain, use, repair and replace pipes, ducts, conduits and wires through the Premises in locations which will not materially interfere with Tenant's use thereof, at Landlord's sole cost and expense. Landlord, at its sole cost and expense, shall repair all damage caused to the Premises as the result of the foregoing work performed by Landlord.

(B) Landlord shall also repair and maintain the Common Areas of the Property, including, but not limited to, the roof, the foundation, exterior walls, the structural portions of the Property and any load-bearing interior walls, the public portions of the Property interior and the Property's common plumbing (including water and waste lines), electrical, mechanical, elevator, sprinkler, security systems and monitoring, fire command, life safety and heating system. Tenant shall reimburse Landlord for Tenant's Proportionate Share of all costs and expenses paid or incurred by Landlord for the maintenance and repair of the Common Areas of the Property, in accordance with the provisions of Section 13.05 herein (unless the same is required as a result of Landlord's gross negligence or willful misconduct, in which case such costs shall be incurred solely by Landlord), except that if the repair or replacement so required is extraordinary or generally non-reoccurring and such repair is caused by Tenant's negligence or willful misconduct, then Tenant shall reimburse Landlord for the cost thereof within thirty (30) days following an invoice for such work. Such costs shall exclude partial or complete restoration necessitated by casualty, but shall include Landlord's cost of insuring the Premises as provided in Section 7.03 hereof. Notwithstanding anything to the contrary herein, Tenant shall not be responsible for reimbursing Landlord for any costs and expenses incurred by Landlord for the maintenance and repair of the Common Areas of the Property solely resulting from the negligence or misconduct of any other tenant or occupant of the Property. Except as amortized over the useful life thereof, Tenant shall not be responsible for capital repairs or improvements to the Property.

Section 6.02. Tenant's Obligations. (A) Subject to the provisions of Article VIII hereof and Section 6.01 of this Article VI, Tenant shall during the Term of this Lease keep in

first-class order, condition and repair, and where necessary, replacement, the Premises and every part thereof, including, without limiting the generality of the foregoing for replacement, all windows, doors, plumbing, heating, air conditioning, ventilating, electrical and lighting facilities and equipment within, in each case, from the point of connection to the Premises, fixtures, interior walls and interior surface of exterior walls, ceilings (but not the structural elements of the roof), plate glass, showcases, skylights, entrances and vestibules located within the Premises. During the term hereof, Tenant shall keep in full force and effect a full service contract with Landlord's HVAC contractor to service such systems and shall provide Landlord with a copy thereof and all renewals.

(B) If Tenant fails to perform its obligations under this Section 6.02, Landlord may at its option, after thirty (30) days' notice to Tenant (except in an emergency when a shorter notice, or no notice, need be given), enter upon the Premises and put the same in good order, condition and repair and the cost thereof shall become due and payable as Additional Rent by Tenant to Landlord within thirty (30) days after written demand.

(C) On the last day of the Term hereof, or on any sooner termination, Tenant shall surrender the Premises to Landlord in the same condition as when received, ordinary wear and tear and damage by fire, the elements or any other cause beyond the control of Tenant excepted.

Section 6.03. Alterations and Additions. (A) Tenant shall not, without the prior written consent of Landlord, which consent shall not be unreasonably withheld, conditioned, or delayed, make any alterations, improvements or additions to either the interior or exterior of the Premises or to fixtures installed therein in accordance with approved fixture plans. Notwithstanding the foregoing, Tenant shall not require the consent of Landlord to undertake any alterations, improvements or additions, which do not affect the structure, the mechanical, plumbing or electrical systems, the total cost of which does not exceed [***] ($[***]) Dollars in the aggregate in any single twelve (12) month period. As used herein, structure shall mean the demising walls, the exterior walls, the load bearing walls, the slab, the roof and the foundation.

(B) All alterations, improvements, additions or fixtures other than trade fixtures not permanently affixed to the Premises, which may be made or installed in the Premises and which are attached to the floor, wall or ceiling of the Premises, shall be the property of Landlord and, at the expiration or termination of this Lease shall remain upon and be surrendered with the Premises. Any floor covering which is cemented or otherwise affixed to the floor of the Premises shall be the property of the Landlord.

Section 6.04. Landlord's Right of Access. Landlord and its agents shall have access to the Premises during reasonable business hours upon at least twenty-four (24) hours prior notice (which, notwithstanding the terms of the Basic Lease Provisions, may be given solely by telephone or electronic mail) to Tenant except in the case of emergencies, for the purpose of examining the same to ascertain if it is in good repair, making reasonable repairs which Landlord may be required or permitted to make hereunder and exhibiting the same to prospective purchasers or tenants (which exhibition shall only occur in the last six (6) months of the Term).

Section 6.05. Cleanliness; Waste and Nuisance. Tenant shall keep the Premises at all times in a neat, clean and sanitary condition, shall neither commit nor permit any waste or nuisance thereon, and shall keep the walks and corridors adjacent thereto free from Tenant's waste or debris.

ARTICLE VII

Insurance; Indemnity

Section 7.01. Liability Insurance – Premises. Tenant shall at all times during the Term hereof and at its sole cost and expense maintain in effect (a) Workers' Compensation in such amounts as required by applicable law and Employer's Liability Insurance for at least [***] ($[***]) Dollars (and Landlord acknowledges that Landlord will not be named as an additional insured in connection therewith); (b) Commercial General Liability Insurance (containing a contractual liability endorsement with respect to Tenant's indemnity pursuant to Section 7.06 hereof) naming Landlord and its fee mortgagee as additional insureds to include personal injury, bodily injury, property damage, products and completed operations liability, in a combined single limit of not less than [***] ($[***]) Dollars per occurrence and [***] ($[***]) Dollars general aggregate; and (c) owned and hired automobile liability insurance in the amount of [***] ($[***]) Dollars. Said insurance shall be primary insurance as respects Landlord and not participating with any other available insurance. In no event shall the limits of said policies be considered as limiting the liability of Tenant under this Lease. The minimum limits specified above are the minimum amounts required by Landlord and may be reasonably revised by Landlord from time to time to meet changed circumstances, including without limitation (w) changes in the purchasing power of the dollar, (x) changes indicated by the amount of plaintiffs' verdicts in personal injury actions in the State of New Jersey, (y) changes consistent with the insurance requirements contained in leases for space within the Property entered into by Landlord after the date of this Lease, or (z) changes consistent with the standards required by landlords of other similar properties located in the State of New Jersey with similar uses.

Section 7.02. Property Insurance – Fixtures and Equipment. (A) Tenant shall at all times during the Term hereof, and at its cost and expense, maintain in effect policies of special form causes of loss property insurance covering (i) its leasehold improvements, fixtures, windows, doors, equipment, inventory and other personal property located at the Premises, in an amount not less than full replacement cost (without regard to depreciation), together with insurance against sprinkler damage and differences in conditions, and (ii) all plate glass at the Premises.

(B) The proceeds of such insurance, so long as this Lease remains in effect, shall be used to repair or replace the fixtures, equipment and plate glass so insured. Landlord and its fee mortgagee shall be named insureds as their interests may appear and as co-loss payees with respect to the insurance required in this Section 7.02.

Section 7.03. Property Insurance – Premises. Landlord may during the Term hereof maintain in effect a policy or policies of special form causes of loss property insurance covering the Premises, inclusive of all improvements, together with insurance against sprinkler damage,

differences in conditions, business income coverage (including lost Basic Rent and Additional Rent for a period of not less than twelve (12) months), flood, earthquake damage increased cost to rebuild and changes in ordinance. Such insurance shall be deemed a "Common Area Cost" and shall be paid for in accordance with Section 13.05 hereof.

Section 7.04. Insurance Policies. All insurance required to be carried by Tenant hereunder shall be with companies, on forms and with a loss payable endorsement reasonably satisfactory to Landlord and copies of policies of such insurance or certificates evidencing such insurance shall be delivered to Landlord by Tenant. No such policy shall be cancelable or modified except after ten (10) days' written notice to Landlord. All insurers shall have A.M. Best Key Ratings of at least A/IX and shall be licensed to write insurance in the State of New Jersey.

Section 7.05. Waiver. Landlord and Tenant each hereby waives any and all rights of recovery against the other or against the officers, members, managers, employees, agents, representatives, customers and business visitors of such other party, for loss of or damage to such waiving party or its property or the property of others under its control, arising from any cause insured against under the form of property insurance policy required to be carried hereunder with all permissible extension endorsements covering additional perils or under any other policy of insurance carried by such waiving party in lieu thereof. Each insurance policy carried by the Tenant (excluding Workers' Compensation) and insuring the Premises and its fixtures and contents against loss by fire, water and causes covered by the property insurance policy that Tenant is required to carry hereunder, shall be written in such a manner as to provide that the insurance company waives all right of recovery by way of subrogation against the parties enumerated in the first (1st) sentence of this Section 7.05 in connection with any loss or damage covered by such policies. Tenant shall obtain and furnish evidence to Landlord of the waiver of subrogation by Tenant's property insurance carrier and by Tenant's workers' compensation carrier of any right of subrogation against the parties enumerated in the first (1st) sentence of this Section 7.05.

Section 7.06. Indemnity. Tenant shall indemnify, defend and hold harmless Landlord from and against any liability or expense including reasonable counsel fees and costs of litigation, for any damage or injury to persons or property in or about the Property which may result from the use or occupation of the Premises by Tenant, its agents, employees, contractors, or invitees or any default by Tenant under this Lease under this Lease. Landlord shall indemnify, defend and hold harmless Tenant from and against any liability or expense including reasonable counsel fees and costs of litigation, for any damage or injury to persons or property in or about the Property which may result from the acts or omissions of Landlord, its agents, employees, contractors, or invitees or any default by Landlord under this Lease.

Landlord hereby indemnifies and agrees to defend and hold Tenant, its employees or agents, harmless from and against any and all claims, suits, proceedings, actions, causes of action, responsibility, liabilities, payments, demands and expenses (including attorney's fees) in connection with or arising from acts or omission with respect to the Common Areas, except to the extent caused by Tenant or its partners, shareholders, members, officers, directors, employees, agents, invitees or contractors.

Notwithstanding anything to contrary in any other section of this Lease, Landlord and Tenant hereby acknowledge and agree that (i) each party will, to the fullest extent possible, be required to make a claim under insurance carried or required to be carried by such party under this Lease before asserting a claim for indemnification against the other party under this Section 7.06 (it being acknowledged and agreed by Landlord and Tenant that claims for indemnification against the other party under this Section 7.06 shall be limited to claims not covered by insurance maintained by the party seeking to assert a claim for indemnification) and (ii) nothing herein shall in any way diminish or impair the mutual waiver of subrogation provisions set forth above, which shall be paramount and controlling.

Section 7.07. Exculpation of Landlord. Landlord shall not be liable for injury or damage which may be sustained by the person, goods, wares, merchandise or property of Tenant, its employees, invitees or customers or any other person in or about the Premises caused or resulting from any action or omission by third parties other than Landlord's employees, agents and contractors. Tenant covenants and agrees to make no claim against Landlord for any such loss, damage or injury resulting from the actions or omissions of third parties other than Landlord's employees, agents and contractors.

Section 7.08. Certificates of Insurance. Tenant shall deliver to Landlord, on or before the Commencement Date and at least ten (10) days prior to the expiration of any such policy, certificates of insurance (Acord 25 with respect to liability coverage and ACORD 28 with respect to property insurance, or their equivalent) including an endorsement, to the extent available, that such insurance may not be canceled or modified (as to any decrease in the level of insurance or coverage that Tenant is required to carry pursuant to the terms of this Lease), except on ten (10) days' prior written notice to Landlord and any designees of Landlord. In addition to the certificates of insurance, Tenant shall, on request, provide evidence reasonably acceptable to Landlord that Landlord and its fee mortgagee is an additional insured or an insured as its interest may appear and a co-loss payee under the insurance policies.

Section 7.09. Compliance. Tenant shall, at its own cost and expense, comply with all of the reasonable rules and regulations of Landlord's insurance company, as well as any fire insurance rating organization and other similar bodies having jurisdiction over the Premises. Tenant shall not do nor fail to do anything that will permit the issuer of any insurance policy required to be carried hereunder to disclaim liability or coverage under such policy.

ARTICLE VIII

Repairs and Restoration

Section 8.01. Insurance or Minor Damage. Subject to the provisions of Section 8.03, if at any time during the Term hereof the Premises is destroyed or damaged and either (a) such damage is not "substantial" as that term is hereinafter defined, or (b) such damage was caused by a casualty required to be insured against under Section 7.03, Landlord shall commence the repair of such damage within sixty (60) days following the receipt of insurance proceeds, subject to extension for reasons of Force Majeure, and shall proceed with due diligence to complete such repair, at Landlord's expense and this Lease shall continue in full force and effect. If the

proceeds of insurance are not available in a sufficient amount, or if the damage was not required to be insured, then Landlord may elect to cancel the Term of this Lease.

Section 8.02. Major Damage. Subject to the provisions of Section 8.03, if at any time during the Term hereof the Premises is destroyed or damaged and if such damage is "substantial" as that term is hereinafter defined, and if such damage was caused by a casualty not required to be insured against under Section 7.03, then Landlord may at its option either (a) commence the repair of such damage within sixty (60) days following the receipt of insurance proceeds, subject to extension for reasons of Force Majeure, and shall proceed with due diligence to complete such repair, at Landlord's expense, in which event this Lease shall continue in full force and effect, or (b) cancel and terminate this Lease as of the date of the occurrence of such damage, by giving Tenant written notice of its election to do so within sixty (60) days after the date of occurrence of such damage; provided, however, that Landlord shall only terminate this Lease if all other leases at the property similarly damaged all also terminated by Landlord.

Section 8.03. Damage Near End of Term. If the Premises are destroyed during the last twelve (12) months of the Term of this Lease and the estimated cost of repair exceeds ten (10%) percent of the Basic Rent then remaining to be paid by Tenant for the balance of the Term, either party may, at their option, cancel and terminate this Lease as of the date of this occurrence of such damage by giving written notice to the other party of its election to do so within thirty (30) days after the date of occurrence of such damage. If neither party shall so elect to terminate this Lease, the repair of such damage shall be governed by Section 8.01 or Section 8.02, as the case may be.

Section 8.04. Abatement of Rent; Tenant's Remedies. (A) If the Premises is destroyed or damaged and this Lease is not terminated, Tenant shall continue the operation of its business in the Premises to the extent reasonably practicable in Tenant's reasonable judgement, and the Basic Rent and Additional Rent payable hereunder for the period during which such damage, repair or restoration continues shall be abated in proportion to the degree to which Tenant's use of the Premises is impaired. Tenant shall have no claim against Landlord for any damage suffered by Tenant by reason of any such damage, destruction, repair or restoration. For clarity, commencing on the date of a casualty until substantial completion of the restoration, the Basic Rent and Additional Rent shall be abated (or such portion thereof that Tenant cannot occupy).

(B) If Landlord shall be obligated to repair or restore the Premises under the provisions of this Article VIII and shall not commence such repair or restoration within sixty (60) days after such obligation shall accrue, subject to extension for reasons of Force Majeure, Tenant may at its option cancel and terminate this Lease, as its sole and exclusive remedy against Landlord, as of the date of occurrence of such damage by giving Landlord written notice of its election to do so at any time prior to the commencement of such repair or restoration.

Section 8.05. Reconstruction of Improvements. In the event of any reconstruction of the Premises under this Article VIII, Landlord shall reconstruct the Premises as the same existed at the Commencement Date and the Tenant will be responsible for reconstructing its Tenant installations. Notwithstanding that all reconstruction work shall be performed by Landlord's contractor unless Landlord shall otherwise agree in writing, Landlord's obligation to reconstruct

the Premises shall be only to the extent of leasehold improvements as originally constructed as of the Commencement Date except for any connecting corridor or passage; Tenant, at its sole cost and expense, shall be responsible for the repair and restoration and the replacement of its stock in trade, trade fixtures, furniture, furnishings and equipment. Tenant shall commence the installation of fixtures, equipment and merchandise hereof promptly upon delivery to it of possession of the Premises and shall diligently prosecute such installation to completion.

Section 8.06. Definitions. (A) For the purpose of this Article, "substantial" damage to the Premises shall be deemed to be damage, the estimated cost of repair of which exceeds one- fifth (1/5) of the then estimated replacement cost of the Property of which the Premises is a part.

(B) The determination in good faith by a New Jersey licensed general contractor selected by Landlord of the estimated cost of repair of any damage and/or of the estimated replacement cost of the Property shall be conclusive for the purpose of this Article.

Section 8.07. Substantial Damage to Property. In the event of substantial damage to the Property at any time during the Term hereof, regardless of whether or not the Premises is affected thereby, then Landlord may, at its option, either (a) commence the repair of such damage within ninety (90) days following the receipt of insurance proceeds, subject to extension for reasons of Force Majeure, and proceed with due diligence to complete such repair, at Landlord's expense, in which event this Lease shall continue in full force and effect, or (b) cancel and terminate this Lease as of the date of the occurrence of such damage, by giving Tenant written notice of its election to do so within sixty (60) days after the date of occurrence of such damage. As used in this Section 8.07, substantial damage to the Property shall mean damage to the Property where the estimated cost of repair to said Property exceeds one-sixth (1/6) of the then estimated replacement cost of the Property.

ARTICLE IX

Assignment and Subletting

Section 9.01. Approval. Tenant shall not assign, mortgage, pledge or otherwise transfer this Lease, in whole or in part, nor sublet or permit occupancy by any party other than Tenant of all or any part of the Premises, without the prior written consent of Landlord in each instance pursuant to the terms herein. In the event Landlord consents to a proposed assignment or sublease, and notwithstanding the provisions of Section 9.02, Tenant shall submit to Landlord in writing (1) the name of the proposed assignee or sublessee, (2) such information as to its financial responsibility and standing as Landlord may reasonably require, (3) a resume outlining the proposed assignee's or sublessee's previous operating experience, and (4) all of the terms and conditions upon which the proposed assignment or subletting is to be made. This Lease may not be assigned by operation of law. Any purported assignment or subletting shall not constitute a waiver of the necessity for such consent to any subsequent assignment or subletting. Under no circumstances may Tenant sublet any portion of the Premises.

In no event shall the proposed assignee or sublessee change the Use of Premises defined in Section 5.01.

Section 9.02. Landlord Consent. (A) Tenant shall not, without the prior written consent of Landlord in each instance, which consent shall not be unreasonably withheld, conditioned or delayed, assign its rights or delegate its duties under this Lease (whether by operation of law, transfers of interests in Tenant or otherwise), mortgage or encumber its interest in this Lease, in whole or in part; sublet, or permit the subletting of the Premises or any part thereof, or permit the Premises or any part thereof to be occupied or used by any person other than Tenant. Any consent by Landlord to any such assignment, transfer, or subletting shall in no event be construed to relieve Tenant from obtaining the prior consent of Landlord to any other or further such assignment, transfer or subletting.

(B) Except as specifically set forth above, no portion of the Premises or of Tenant's interest in this Lease may be acquired by any other person or entity, whether by assignment, mortgage, sublease, transfer, operation of law or act of the Tenant, nor shall Tenant pledge its interest in this Lease or in any security deposit required hereunder.

Section 9.03. Bonus Rental. If Tenant receives rent or other consideration for any assignment or sublease in excess of the Basic Rent or, in the case of the sublease of a portion of the Premises, in excess of such Basic Rent that is fairly allocable to such portion, as determined by Landlord, after appropriate adjustments to assure that all other payments required hereunder are appropriately taken into account, Tenant shall pay an amount equal to [***] percent ([***]%) of such excess to Landlord promptly following receipt thereof by Tenant of the difference between each such payment of rent or other consideration and the Basic Rent required hereunder (but after first subtracting Tenant's reasonable brokerage fees and alteration costs in connection with such sublease or assignment).

Section 9.04. Scope. If (a) this Lease is assigned, (b) any part of the underlying beneficial interest of Tenant or any Guarantor is transferred or (c) the Premises or any part thereof is sublet or occupied by anyone other than Tenant, Landlord may collect Basic Rent and Additional Rent from the assignee, subtenant or occupant and apply the net amount collected to the Basic Rent and Additional Rent herein required and apportion any excess rent so collected in accordance with the terms of Section 9.03; provided that no such assignment, subletting, occupancy or collection shall be deemed a waiver of this covenant, or the acceptance of this assignee, subtenant or occupant as tenant, or a release of Tenant from the further performance by Tenant of covenants on the part of Tenant herein contained. No assignment or subletting shall affect the continuing liability of Tenant (which, following assignment, shall be joint and several with the assignee), and Tenant shall not be released from performing any of the terms, covenants and conditions of this Lease.

Section 9.05. Costs and Fees. In connection with each requested assignment or sublease, Tenant shall pay to Landlord as reimbursement to Landlord for Landlord's out-of- pocket costs and expenses, an amount not to exceed [***] ($[***]) Dollars.

ARTICLE X

Eminent Domain

Section 10.01. Entire or Substantial Taking. If the entire Premises, or so much thereof as to make the balance not reasonably adequate for the conduct of Tenant's business notwithstanding restoration by Landlord as hereinafter provided, shall be taken under the power of eminent domain, this Lease shall automatically terminate as of the date on which the condemning authority takes possession. If a portion of the Property is taken under the power of eminent domain such that, in Landlord's reasonable judgment, the remainder cannot be economically operated, Landlord may cancel this Lease on notice to Tenant, regardless of whether or not said taking includes all or part of the Premises. If forty (40%) percent or more of the Property is taken under the power of eminent domain, Tenant may cancel this Lease on notice to Landlord, regardless of whether or not said taking includes all or part of the Premises.

Section 10.02. Partial Taking. In the event of any taking under the power of eminent domain which does not so result in a termination of this Lease, the Basic Rent and Additional Rent payable hereunder, as well as Tenant's Proportionate Share, shall be reduced, effective as of the date on which the condemning authority takes possession, in the same proportion which the Floor Area of the portion of the Premises taken bears to the Floor Area of the entire Premises prior to the taking. Landlord shall promptly at its expense, but only to the extent of so much of the award as is attributable to the Premises, restore the portion of the Premises not so taken to as near its former condition as is reasonably possible, and this Lease shall continue in full force and effect.

Section 10.03. Awards. Any award for any taking of all or any part of the Premises under the power of eminent domain shall be the property of Landlord, whether such award shall be made as compensation for diminution in value of the leasehold or for taking of the fee. Nothing contained herein, however, shall be deemed to preclude Tenant from obtaining, or to give Landlord any interest in, any award to Tenant for loss of or damage to Tenant's trade fixtures and removable personal property or for moving expenses or any other damages available to Tenant that do not limit Landlord's awards.

Section 10.04. Sale Under Threat of Condemnation. A sale by Landlord to any authority having the power of eminent domain, either under threat of condemnation or while condemnation proceedings are pending, shall be deemed a taking under the power of eminent domain for all purposes under this Article.

ARTICLE XI

Utility Services

Section 11.01. Utility Charges. Electricity and gas shall be separately metered and Tenant shall be solely responsible for the payment of the same. If any such charges are not paid when due, Landlord may pay the same, and any amount so paid by Landlord shall become due to Landlord from Tenant as Additional Rent within ten (10) days after Landlord provides Tenant

with notice and evidence that such amount was paid by Landlord. Water and sewer are not separately metered and such charges shall be included in the common area costs.

Section 11.02. Furnishing of Services. If Landlord shall elect to furnish any utility services to the Premises, Tenant shall purchase its requirements thereof from Landlord so long as the rates charged therefor by Landlord do not exceed those which Tenant would be required to pay if such services were furnished it directly by a public utility.

Section 11.03. Interruption of Service. Landlord shall not be liable in damages or otherwise for any failure or interruption of any utility service being furnished the Premises, unless Landlord has failed to fully restore such service after a reasonable time after written notice from Tenant of the existence of such problems with utility service; provided, however, no such failure or interruption shall entitle Tenant to terminate this Lease, Tenant's remedies being limited to abatement or equitable reduction of Basic Rent hereunder.

Section 11.04. Electric Deregulation. If permitted by law, Landlord shall have the right at any time and from time to time during the Lease Term to either contract for service from a different company or companies providing electricity service (each such company shall hereinafter be referred to as an "Alternate Service Provider") or continue to contract for service from the current electric service provider.

Tenant shall reasonably cooperate with Landlord, the current electric service provider, and any Alternate Service Provider at all times and, as reasonably necessary, shall allow Landlord, the current electric service provider, and any Alternate Service Provider reasonable access to the Property's electric lines, feeders, risers, wiring, and any other machinery within the Premises upon at least twenty-four (24) hours prior notice (which, notwithstanding the terms of the Basic Lease Provisions, may be given solely by telephone or electronic mail) except in the case of emergencies.

ARTICLE XII

Defaults; Remedies

Section 12.01. Defaults. The occurrence of any one or more of the following events beyond all applicable notice and cure periods shall constitute a default hereunder by Tenant:

(A) Intentionally omitted.

(B) The failure by Tenant to make any payment of Basic Rent or Additional Rent required to be made by Tenant hereunder, as and when due.

(C) The failure by Tenant to observe or perform any of the express or implied covenants or provisions of this Lease to be observed or performed by Tenant, other than as specified in (A) or (B) above, where such failure shall continue for a period of thirty (30) days after written notice thereof from Landlord to Tenant; provided, however, that any such notice shall be in lieu of, and not in addition to, any notice required under N.J.S.A. 2A:18-53 et seq.; provided further, that if the nature of Tenant's default is such that more than thirty (30) days are reasonably required for its cure, then Tenant shall not

be deemed to be in default if Tenant shall commence such cure within said thirty (30) day period and diligently pursue the completion of such cure.

(D) (i) The making by Tenant or any Guarantor of any general assignment for the benefit of creditors; (ii) the filing by or against Tenant or any Guarantor of a petition to have Tenant or Guarantor adjudged a bankrupt for a petition for reorganization or arrangement under any law existing to bankruptcy (unless, in the case of a petition filed against Tenant or Guarantor, the same is dismissed within ninety (90) days); (iii) the appointment of a trustee or receiver to take possession of substantially all of Tenant's assets located at the Premises or of Tenant's interest in this Lease, where possession is not restored to Tenant within ninety (90) days; or (iv) the attachment, execution or other judicial seizure of substantially all of Tenant's assets located at the Premises or of Tenant's interest in this Lease, where such seizure is not discharged within ninety (90) days.

Section 12.02. Remedies. (A) If, during the Term, any one or more of the acts or occurrences enumerated in Section 12.01 (any one of such occurrences or acts existing beyond all applicable notice and cure periods being hereinafter called an Event of Default) shall happen, then, and in any such event, and during the continuance thereof, the Landlord may, at its option, then or thereafter while any such Event of Default shall continue and notwithstanding the fact that the Landlord may have any other remedy hereunder or at law or in equity, by notice to the Tenant, designate a date, not less than ten (10) days after the giving of such notice, on which this Lease shall terminate; and thereupon, on such date the Term of this Lease and the estate hereby granted shall expire and terminate upon the date specified in such notice with the same force and effect as if the date specified in such notice was the date hereinbefore fixed for the expiration of the Term of this Lease, and all rights of the Tenant hereunder shall expire and terminate, but the Tenant shall remain liable as hereinafter provided. Additionally, Tenant agrees to pay, as Additional Rent, all actual out-of-pocket attorney's fees and other expenses incurred by the Landlord in enforcing any of the obligations under this Lease, this covenant to survive the expiration or sooner termination of this Lease.

(B) If this Lease is terminated as provided above, or as permitted by law, the Tenant shall peaceably quit and surrender the Premises to the Landlord, and the Landlord may, without further notice, enter upon, re-enter, possess the same by summary proceedings, ejectment or other legal proceedings, and again have, repossess and enjoy the same as if this Lease had not been made, and in any such event neither the Tenant nor any person claiming through or under the Tenant by virtue of any law or an order of any court shall be entitled to possession or to remain in possession of the Premises. Nothing herein contained shall limit or prejudice the right of the Landlord, in any bankruptcy or reorganization or insolvency proceeding, to prove for and obtain as liquidated damages by reason of such termination an amount equal to the maximum allowed by any bankruptcy or reorganization or insolvency proceedings, or to prove for and obtain as liquidated damages by reason of such termination, an amount equal to the maximum allowed by any statute or rule of law whether such amount shall be greater or less than the excess referred to above.

(C) If the Landlord re-enters and obtains possession of the Premises, as provided in (B) above, following an Event of Default, the Landlord shall have the right, without notice, to repair or alter the Premises in such manner as the Landlord may deem necessary or advisable so as to put the Premises in good order and to make the same rentable, and shall have the right, at the Landlord's option, to relet the Premises or a part thereof, and the Tenant shall pay to the Landlord on demand all reasonable expenses incurred by the Landlord in obtaining possession, and in altering, repairing and putting the Premises in good order and condition and in reletting the same, including actual out-of-pocket reasonable fees of attorneys and architects, and all other actual out-of-pocket expenses or commissions, and the Tenant shall pay to the Landlord upon the rent payment dates following the date of such re-entry to and including the date for the expiration of the Term of this Lease in effect immediately prior to such re-entry the sums of money which would have been payable by the Tenant as rent hereunder on such rent payment dates if the Landlord had not re-entered and resumed possession of the Premises, deducting only the net amount of rent, if any, which the Landlord shall actually receive (after deducting from the gross receipts the actual out-of-pocket expenses, costs and payments of the Landlord which in accordance with the terms of this Lease would have been borne by the Tenant) in the meantime from and by any reletting of the Premises, and the Tenant shall remain liable for all sums otherwise due and payable by the Tenant under this Lease, including but not limited to the expenses of the Landlord aforesaid, as well as for any deficiency aforesaid, and the Landlord shall have the right from time to time to begin and maintain successive actions or other legal proceedings against the Tenant for the recovery of such deficiency, expenses or damages or for a sum equal to any Basic Rent payment and Additional Rent then due and owing. The obligation and liability of the Tenant to pay the Basic Rent and Additional Rent shall survive the commencement, prosecution and termination of any action to secure possession of the Premises. Nothing herein contained shall be deemed to require the Landlord to wait to begin such action or other legal proceedings until the date when this Lease would have expired had there not been an Event of Default.

(D) The Tenant hereby waives all right of redemption to which the Tenant or any person under it may be entitled by any law now or hereafter in force. The Landlord's remedies hereunder are in addition to any remedy allowed by law.

(E) In the event of any breach or threatened breach by Tenant of any of the agreements, terms, covenants or conditions contained in this Lease, Landlord shall be entitled to enjoin such breach or threatened breach and shall have the right to invoke any right or remedy allowed at law or in equity or by statute or otherwise as though re-entry, summary dispossess proceedings, and other remedies were not provided for in this Lease. During the pendency of any proceedings brought by Landlord to recover possession by reason of default, Tenant shall continue all money payments required to be made to Landlord, and Landlord may accept such payments for use and occupancy of the Premises. In such event, Tenant waives its right in such proceedings to claim as a defense that the receipt of such money payments by Landlord constitutes a waiver by Landlord of such default.

Section 12.03. Default by Landlord. Landlord shall not be deemed to be in default in the performance of any obligation required to be performed by it hereunder unless and until it has failed to perform such obligation within thirty (30) days after receipt of notice by Tenant to

Landlord specifying wherein Landlord has failed to perform such obligation; provided, however, that if the nature of Landlord's obligation is such that more than thirty (30) days are required for its performance, then Landlord shall not be deemed to be in default if it shall commence such performance within such thirty (30) day period and thereafter diligently prosecute the same to completion.

Section 12.04. Expense of Litigation. If either party incurs any expense, including reasonable attorneys' fees, in connection with any action or proceeding instituted by either party by reason of any default or alleged default of the other party hereunder, or pursuant to the provisions of this Lease, the party prevailing in such action or proceeding shall be entitled to recover its said reasonable expense from the other party.

ARTICLE XIII

Common Areas

Section 13.01. Definition. All areas within the exterior boundaries of the Property which are not now or hereafter held for lease or occupation by Landlord or used by other persons entitled to occupy floor space on the Property, including, without limiting the generality of the foregoing, parking areas, driveways, truckways, delivery passages, loading docks, sidewalks, ramps, landscaped and planted areas, exterior stairways, bus stops, retaining walls, restrooms not located within the premises of any tenant and serving more than one (1) tenant, their respective employees and invitees, and other areas and improvements provided by Landlord for the common use of Landlord and tenants and their respective employees and invitees, shall be deemed "Common Areas." Landlord may make changes at any time and from time to time in the size, shape, location, number and extent of the Common Areas or any of them, to provide additional leasing area, and no such change shall entitle Tenant to any abatement of rent.

Section 13.02. Use. Tenant and its employees and invitees shall be entitled to use the Common Areas during the Lease Term, in common with Landlord and with other persons authorized by Landlord from time to time to use such areas, subject to such reasonable rules and regulations relating to such use as Landlord may from time to time establish.

Section 13.03. Control by Landlord. (A) Landlord shall operate, manage, equip, police, light, repair and maintain the Common Areas in such manner as Landlord may in its sole discretion determine to be appropriate and in compliance with the requirements of applicable Condominium Documents (as hereinafter defined). Landlord may temporarily close any Common Area for repairs or alterations, to prevent a dedication thereof or the accrual of prescriptive rights therein, or for any reason deemed reasonably necessary by Landlord.

(B) Landlord shall at all times during the Term of this Lease have the sole and exclusive control of the automobile parking areas, driveways, entrances and exits and the sidewalks and pedestrian passageways and other Common Areas, and may at any time and from time to time during the Term hereof restrain any use or occupancy thereof except as authorized by the rules and regulations for the use of such areas established by Landlord from time to time. The rights of Tenant in and to the Common Areas shall at all times be subject to the rights of Landlord and the other tenants of Landlord on the Property to use the same in common with

Tenant, and Tenant shall keep said areas free and clear of any obstructions created or permitted by Tenant or resulting from Tenant's operation. If in the opinion of Landlord unauthorized persons are using any of said areas by reason of the presence of Tenant on the Property, Tenant, upon written demand of Landlord, shall undertake commercially reasonable efforts to restrain such unauthorized use by appropriate action. Nothing herein shall affect the right of Landlord at any time to remove any such unauthorized person from the Common Areas or to prohibit the use of any said areas by unauthorized persons.

(C) All of Tenant's employees shall be prohibited from parking their vehicles on Landlord's property during the term of this Lease and any extension hereof and Tenant shall all at all times provide off-site parking for its employees, and Tenant shall enforce such prohibition of its employees parking on Landlord's property. Notwithstanding the foregoing, Tenant's manager(s) shall not be required to park offsite. The identity of the Tenant's manager(s) shall be submitted to Landlord for informational purposes.

(D) Tenant will employ a parking lot attendant that will be present at the Premises at all times that Tenant is open for business. In addition, Tenant shall have security personnel present at the Premises at all times that Tenant is open for business. Tenant shall also schedule deliveries for dates and times to minimize impact to other Tenants at the Property.

(E) In the event that Landlord has a good faith belief that there is congestion in Landlord's parking lot, which is directly attributable to Tenant, Landlord may provide written notice to Tenant of said congestion issues and Tenant shall endeavor to alleviate the congestion utilizing any means or methods that it deems appropriate. In the event that Landlord has a good faith belief that Tenant has failed to remedy the congestion in Landlord's parking lot after written notice, principals for Landlord and Tenant shall meet to attempt to reach an agreed upon resolution within thirty (30) days after request by either Tenant or Landlord.

Section 13.04. Common Area Costs. Tenant agrees to pay as provided below, as Additional Rent, Tenant's Proportionate Share of all actual costs and expenses of every kind and nature as may be paid or incurred by Landlord during the Term (including appropriate reserves) in operating, managing, insuring, equipping, lighting, repairing and maintaining the Common Areas and in providing such security protection and fire protection for the Property as Landlord deems necessary, as determined in accordance with prudent accounting principles and allocated to any particular Lease Year on the accrual method of accounting. Such costs and expenses shall include, but shall not be limited to: general maintenance and repairs, resurfacing, striping and cleaning of the parking and driveway areas; snow removal; cleaning and repair of sidewalks, curbs, elevated walkways, stairways; maintenance and repair of the landscaping and the irrigation systems; maintenance and repair of the Property signs and the directional signs; maintenance and repair of the lighting systems in the parking and walkway areas; janitorial services in Common Areas; maintenance and repair of the storm drainage and sanitary sewer systems; maintenance and repair of the foundation, the roof, the exterior walls, the demising walls (i.e. walls separating Property tenants), sprinklers, the steel structure and load bearing walls; trash disposal; maintenance and repair of utility systems; the cost of water service to the Property (exclusive of the individual premises leased to tenants of the Property); the cost of electricity for lighting in the public areas; the wages and related payroll costs of personnel

employed by Landlord to implement such services; premiums for Landlord's public liability, property damage, fire and extended coverage insurance, and rental income insurance for the entire Property and any adjacent easement or license areas and all improvements therein; fees for required licenses and permits; supplies; and administrative costs equal to [***] ([***]%) percent of the Annual Basic Rent and common charges associated with the Condominium, if any. Landlord shall not be liable in damages or otherwise for any failure or interruption of any Common Area services being furnished the Property, and no such failure or interruption shall entitle Tenant to terminate this Lease. The slab, if any, within the Tenant's Premises shall not be deemed a Common Area and shall be repaired by Landlord at Tenant's sole cost and expense to be paid as provided in Section 6.01. Common Area Costs shall not include: (i) expenses for which the Landlord is reimbursed or indemnified (either by an insurer, condemnor, tenant or otherwise); (ii) expenses incurred in leasing or procuring tenants (including, without limitation, lease commissions, legal expenses, and expenses of renovating space for tenants); (iii) legal expenses arising out of disputes with tenants or the enforcement of the provisions of any lease of space in the Building; (iv) interest or amortization payments on any mortgage or mortgages, and rental under any ground or underlying lease or leases; (v) costs of any work or service performed for or facilities furnished to a tenant at the tenant's cost; (vi) costs of capital improvements, repairs or replacements in excess of the annual amortized cost thereof over its useful life, and depreciation; (vii) the amount of lease concessions and work letters given by Landlord to new tenants or occupants in the Building; all amounts paid to affiliates, subsidiaries or parent companies of Landlord to the extent that such amounts exceed those that would be payable to an unrelated party for similar services or materials; (viii) costs incurred in correcting any defects in construction of the Building or in connection with new construction in the Building (i.e., adding or deleting buildings); (ix) intentionally omitted; (x) to the extent any expense or cost is otherwise attributable to or which may be included in another property of Landlord; (xi) costs of refinancing any present or future mortgage; (xii) expenses incurred by Landlord in connection with furnishing services or providing other benefits which are not available to Tenant, but which are provided to other tenants or occupants in the Building; (xiii) costs incurred in connection with the transfer of Landlord's interest; (xiv) overtime costs incurred as a result of another tenant or occupant in the Building to the extent that Landlord is entitled to be reimbursed for the same; (xv) costs of performing surveys of other tenants' or occupants' electrical usage, even if Landlord is not reimbursed therefor by such other tenants or occupants; (xvi) expenses resulting from the negligence or act or omission of Landlord or any other tenant or occupant in the Building, or their respective agents, servants, employees, contractors, licensees or invitees; (xvii) any bad debt loss, rent loss, or reserves for bad debts or rent loss in excess of [***]%; (xviii) fines, penalties and interest, and any costs, fees and expenses attributable to a violation by Landlord or any other tenant or occupant in the Building, or their respective agents, servants, employees, contractors, licensees or invitees; (xix) any amounts for which Landlord is reimbursed by insurance (or should have been reimbursed by insurance), or directly from other tenants or occupants, or from any other source, or refunded or indemnified;(xx) costs separately billed to other tenants or occupants in the Building; (xxi) intentionally omitted; (xxii) excess insurance premiums covering the Common Areas and/or the Building occasioned by the extra hazardous use or activities of other tenants or occupants in the Building; (xxiii) damages recovered by a tenant or occupant in the Building due to violation by Landlord of any of the terms and conditions of any lease or other agreement in the Building; (xxiv) intentionally

omitted; (xxv) lease takeover or termination costs incurred by Landlord in connection with any lease or other agreement in the Building; (xxvi) the costs of installing an observatory, broadcast facility, telecommunications facility, theater, auditorium, luncheon club, athletic or recreational club, child care facility, or cafeteria or dining facility; (xxvii) any compensation paid to clerks, attendants or other persons working in or managing commercial concessions operated by Landlord or any affiliate of Landlord; (xxviii) (intentionally omitted); (xxix) costs and expenses incurred by Landlord in connection with any obligation of Landlord to indemnify another tenant or occupant of the Building pursuant to a lease or otherwise; (xxx) costs of tools and equipment used initially in the construction, operation, repair and maintenance of the Building; (xxxi) attorneys' fees and disbursements and other costs in connection with any judgment, settlement or arbitration resulting from any tort liability on the part of Landlord and the amount of such settlement or judgment; (xxxii) Landlord's general corporate overhead and general administrative expenses; (xxxiii) costs of sculpture, paintings, or other objects purporting to be art; (xxxiv) charitable and political contributions made by Landlord; (xxxv) costs of purchasing any air or development rights; sewer or water "tap-in" or connection fees payable in connection with the initial occupancy of any tenant or occupant; (xxxvi) intentionally omitted; (xxxvii) intentionally omitted; (xxxviii) intentionally omitted; (xxxix) any other costs or fees to the extent in excess of prevailing and commercially competitive and reasonable rates; and (xl) any other expenses which, under generally accepted accounting principles consistently applied, would not be treated as a normal and ordinary repair or maintenance. In the calculation of operating expenses and Common Area Costs, it is understood that no expense shall be charged more than once, including, without limitation, any service that is included in the charges for the common charges associated with the Condominium.

Once Landlord shall have finally determined said Common Area Costs at the expiration of a Lease Year and delivered a written notice or statement thereof, then Tenant shall only be entitled to dispute said charge as finally established for a period of six (6) months after such charge is finally established and written notice or statement thereof is provided to Tenant, and Tenant specifically waives any right to dispute any such charge at the expiration of said six month period. If it is determined that Landlord overcharged Tenant by more than [***] percent ([***]%) of the actual Common Area Costs, then Landlord shall reimburse Tenant's actual and reasonable out-of-pocket audit charges. In no event may Tenant use an auditor compensated by a contingent fee.

Section 13.05. Proportionate Payment. Prior to the commencement of each Lease Year, Landlord shall give Tenant a written estimate of Tenant's share of such Common Area Costs for the ensuing Lease Year. Tenant shall pay such estimated amount to Landlord in equal monthly installments, in advance. Within one hundred sixty (160) days after the end of each calendar quarter, Landlord shall furnish to Tenant a statement showing in reasonable detail the costs and expenses incurred by Landlord for the operation and maintenance of the Common Areas during such Lease Year, and the parties shall promptly make any payment or allowance necessary to adjust Tenant's estimated payment to Tenant's actual Proportionate Share of Common Area Costs as shown by such quarterly statement.

ARTICLE XIV

Signs and Lighting

Section 14.01. Exterior Sign. Tenant will be permitted to install an exterior sign on the Premises, with the location, size and materials to be used for such sign to be reasonably acceptable to Landlord and shall, in all events, comply with the specifications promulgated by the Landlord for the building in which the Premises are located. Tenant shall obtain, at Tenant's sole cost and expense, any and all permits and approvals required by any governmental authority for Tenant's signage, provided, however, that Landlord consents to the signage as set forth on Exhibit D attached hereto.

Section 14.02. Prohibited Activities. Tenant shall not, without Landlord's prior written consent, do any of the following:

(A) Install or affix any exterior lighting or plumbing fixtures, shades, awnings, or exterior decorations (including exterior painting).

(B) Install or affix any exterior window or door signs, placards or the like.

(C) Obstruct any area outside the exterior walls of the Premises.

(D) Cause or permit to be used any advertising materials or methods at the Premises which are reasonably objectionable to Landlord or to other tenants of the Property, including, without limiting the generality of the foregoing, loudspeakers, mechanical or moving display devices, unusually bright or flashing lights and similar devices the effect of which may be seen or heard outside the Premises.

Section 14.03. Maintenance. Tenant shall at all times maintain its windows, doors and signs in a neat, clean and orderly condition. If, as to any exterior sign, Tenant shall fail to do so after five (5) days' written notice from Landlord, Landlord may repair, clean or maintain such exterior sign and the cost thereof shall be payable by Tenant to Landlord within ten (10) days after written demand as Additional Rent.

ARTICLE XV

Security Deposit

Section 15.01. Tenant has deposited with Landlord the sum stipulated in the Basic Lease Provisions, as security for the full and faithful performance of every provision of this Lease to be performed by Tenant. If Tenant defaults with respect to any provision of this Lease (after notice and the expiration of any applicable cure period), including but not limited to the provisions relating to the payment of Basic Rent and Additional Rent, Landlord may use, apply or retain all or any part of this security deposit for the payment of any Basic Rent or Additional Rent or other sum in default, or for the payment of any other amount which Landlord may spend or become obligated to spend by reason of Tenant's default, or to compensate Landlord for any other loss or damage which Landlord may suffer by reason of Tenant's default. If any portion of said deposit is so used or applied, Tenant shall within five (5) days after written demand therefor deposit cash

with Landlord in amount sufficient to restore the security deposit to its original amount and Tenant's failure to do so shall be an Event of Default under this Lease. Landlord shall not be required to keep this security deposit separate from its funds, and Tenant shall not be entitled to interest on such deposit. If Tenant shall fully and faithfully perform every provision of this Lease to be performed by it, the security deposit or any balance thereof shall be returned to Tenant (or, at Landlord's option, to the last assignee of Tenant's interest hereunder) at the expiration of the Term.

In the event of the insolvency of Tenant or in the event of the entry of a judgment in bankruptcy in any court against Tenant which is not discharged within thirty (30) days after entry, or in the event a petition is filed by or against Tenant under any chapter of the bankruptcy laws of the State of New Jersey or the United States of America, then and in such event Landlord may require the Tenant to deposit additional security in an amount which in Landlord's sole judgment would be sufficient to adequately assure Tenant's performance of all of its obligations under this Lease, including all payments subsequently accruing. Failure of Tenant to deposit the security required by this Section within ten (10) days after Landlord's written demand shall constitute a material breach of this Lease by Tenant.

The security deposit is being made by means of an irrevocable "evergreen" letter of credit, which shall be in form and substance, and drawn on a bank which is a member of the New York clearinghouse, satisfactory to Landlord. It shall have a final expiry of not less than six (6) months after the Expiration Date.

In the event that the "Guarantor Loan" (hereinafter defined) shall be accepted by Landlord, then, provided that Tenant shall not be in default in the performance or observance of any of its obligations hereunder, not later than ninety (90) days after the Rent Commencement Date, the security deposit shall be reduced by an amount equal to two (2) months Basic Rent and a new letter of credit, in such reduced amount (but otherwise conforming to the provisions hereof) shall be substituted therefor.

As the Basic Rent increases throughout the Term, the amount of the security shall be increased accordingly, so that Landlord shall at all times have a security deposit letter of credit in an amount equal to ten (10) or twelve (12) months Basic Rent, as the case may be.

ARTICLE XVI

General Provisions

Section 16.01. Estoppel Statement. (A) Each party shall at any time and from time to time upon not less than ten (10) days' prior written notice from the other execute, acknowledge and deliver to the requesting party a statement in writing (i) certifying that this Lease is unmodified and in full force and effect (or, if modified, stating the nature of such modification and certifying that this Lease, as so modified, is in full force and effect) and the dates to which the Basic Rent and other charges are paid in advance, if any, and (ii) acknowledging that there are not, to the certifying party's knowledge, any uncured defaults on the part of the other party hereunder, or specifying such defaults if any are claimed, and any other information regarding this Lease or the Premises, or the use thereof, which the requesting party shall reasonably

require. Any such statement may be relied upon by a prospective purchaser or encumbrancer of the Premises or of all or any portion of the real property of which the Premises are a part.

Section 16.02. Transfer of Landlord's Interest. In the event of any transfer or transfers of Landlord's interest in the Premises or of all or any portion of the real property of which the Premises are a part, the transferor shall be automatically relieved of any and all obligations and liabilities on the part of the Landlord accruing from and after the date of transfer. All of the provisions of this Lease shall bind and inure to the benefit of the parties hereto, and their respective heirs, legal representatives, successors and assigns.

Section 16.03. Floor Area. "Floor Area" as used in this Lease means, with respect to the Premises and with respect to each store or office that is separately leased, the aggregate of (a) the number of square feet of floor space on all floor levels, include mezzanines and office space, measured from the exterior of any wall abutting the Common Area or any portion thereof and from the center line of walls which are common walls for Floor Area on the Property which may be leased to tenants; and (b) all outside selling areas used for the sale of merchandise by tenants, if any. No deduction or exclusion from Floor Area shall be made by reason of columns, stairs, or other interior construction or equipment.

Section 16.04. Separability. Any provision of this Lease which shall prove to be invalid, void or illegal shall in no way affect, impair or invalidate any other provision hereof, and such remaining provisions shall remain in full force and effect.

Section 16.05. Delinquency Service Charge. Anything in this Lease to the contrary notwithstanding, at Landlord's option, Tenant shall pay a "Delinquency Late Charge" of [***] ([***]%) percent of any installment of Basic Rent or Additional Rent paid more than five (5) days after the due date thereof for each monthly period or portion thereof that the same remains unpaid, such Delinquency Late Charge to cover the extra expense involved in handling delinquent payments. Further, such Delinquency Late Charge shall be payable on the first day of the month next succeeding the month during which such Delinquency Late Charges become payable as additional rent, together with interest on the amounts overdue from the date on which they become due and payable computed at the rate of [***] ([***]%) percent per annum.

Section 16.06. Time of Essence. Time is of the essence with respect to the performance of every provision of this Lease in which time of performance is a factor.

Section 16.07. Headings. The Article and Section options contained in this Lease are for convenience only and shall not be considered in the construction or interpretation of any provision hereof.

Section 16.08. Incorporation of Prior Agreements; Amendments. This Lease contains all of the agreements of the parties hereto with respect to any matter covered or mentioned in this Lease, and no agreement or understanding or understanding pertaining to any such matter shall be effective for any purpose. No provision of this Lease may be amended or added to except by an agreement in writing signed by the parties hereto or their respective successors in interest.

Section 16.09. Brokers. The parties warrant that they have had no dealings with any real estate broker or agent in connection with the negotiation of this Lease other than the Real

Estate Broker specified in the Basic Lease Provisions. The parties agree to indemnify and hold the other party and its mortgagees, if any, harmless from any and all claims of other brokers and expenses in connection therewith arising out of or in connection with the negotiation of or the entering into this Lease by Landlord and Tenant.

Section 16.10. Waivers. No waiver by Landlord of any provision of this Lease shall be deemed to be a waiver of any other provision hereof or of any subsequent breach by Tenant of the same or any other provision. Landlord's consent to or approval of any act by Tenant requiring Landlord's consent or approval shall not be deemed to render unnecessary the obtaining of Landlord's consent to or approval of any subsequent act by Tenant, whether or not similar to the act so consented to or approved.

Section 16.11. Recording. Neither this Lease, nor any memorandum or "short form" thereof, may be recorded.

Section 16.12. Liens. Except as specifically set forth herein, Tenant shall not do any act, or make any contract, which may create or be the foundation for any lien or other encumbrance upon any interest of Landlord or any ground or underlying lessor in any portion of the Premises. If, because of any act or omission (or alleged act or omission) of Tenant, any construction lien claim or other lien (collectively "Lien"), charge, or order for the payment of money or other encumbrance shall be filed against Landlord and/or any ground or underlying lessor and/or any portion of the Premises (whether or not such Lien, charge, order, or encumbrance is valid or enforceable as such), Tenant shall, at its own cost and expense, cause same to be discharged of record or bonded within thirty (30) days after the filing thereof; and Tenant shall indemnify and save harmless Landlord and all ground and underlying lessor(s) against and from all costs, liabilities, suits, penalties, claims, and demands, including reasonable counsel fees, resulting therefrom. If Tenant fails to comply with the foregoing provisions, Landlord shall have the option of discharging or bonding any such Lien, charge, order or encumbrance, and Tenant agrees to reimburse Landlord for all costs, expenses and other sums of money in connection therewith (as additional rental) with interest at the maximum rate permitted by law promptly upon demand. All materialmen, contractors, artisans, mechanics, laborers, and any other persons now or hereafter contracting with Tenant or any contractor or subcontractor of Tenant for the furnishing of any labor services, materials, supplies, or equipment with respect to any portion of the Premises, at any time from the date hereof until the end of the Lease Term, are hereby charged with notice that they look exclusively to Tenant to obtain payment from same.

Section 16.13. Subordination. This Lease shall be subordinate to any first mortgage or first deed of trust that may exist or hereafter be placed upon the Property or any part thereof and to any and all advances to be made thereunder and to the interest thereon and to all renewals, replacements and extensions thereof. Tenant shall, within ten (10) days after written demand by Landlord execute such instruments as may be required at any time and from time to time to subordinate the rights and interest to Tenant under this Lease to the lien of any such mortgage or deed of trust, or, if requested by Landlord, to subordinate any such mortgage or deed of trust to this Lease. Tenant shall, in the event any proceedings are brought for the foreclosure of any such mortgage or deed of trust, attorn to the purchaser upon foreclosure sale or sale under power of sale, and shall recognize such purchaser as Landlord under this Lease.

Section 16.14. Fixtures and Personal Property. Any trade fixtures, signs and other personal property of the Tenant not permanently affixed to the Premises shall remain the property of the Tenant and the Landlord agrees that the Tenant shall have the right, provided the Tenant be not in default under the terms of this Lease beyond all applicable notice and cure periods, at any time, and from time to time, prior to the expiration or termination of the Term of this Lease, to remove any and all of its trade fixtures, signs and other personal property which it may have stored or installed in the Premises, including but not limiting the same to counters, shelving, showcases, mirrors and other movable personal property. The Tenant at its expense shall immediately repair any damage occasioned to the Premises by reason of the removal of any such trade fixtures, signs, and other personal property, and upon the last day of the Term or a date of earlier termination of this Lease, shall leave the Premises in a neat and clean condition, free of debris.

All permanent improvements to the Premises by the Tenant, including but not limited to, lighting fixtures, floor covering and partitions, but excluding trade fixtures and signs, shall become the property of Landlord upon expiration or earlier termination of this Lease. Unless directed otherwise by Landlord solely with respect to Special Alterations (as hereinafter defined), Tenant shall have no obligation to remove any alterations in the Premises upon the expiration or sooner termination of this Lease. For purposes of this Lease, "Special Alterations" shall mean items such as kitchens, vaults, raised or reinforced flooring or other items which are unusually difficult or expensive to remove (but specifically excluding any private restrooms that Tenant may install in connection with Tenant's initial occupancy of the Premises). Landlord shall advise Tenant if any alteration is a Special Alteration at the time of Landlord's consent to such alteration.

Section 16.15. Quiet Enjoyment. The Landlord covenants that if, and so long as, the Tenant pays the Basic Rent and Additional Rent as herein provided, and performs the covenants hereof, the Landlord shall do nothing to affect the Tenant's right to peaceably and quietly have, hold and enjoy the Premises for the Term herein mentioned, subject to the provisions of this Lease, the Condominium Documents (hereinafter defined) and to any mortgage or deed of trust to which this Lease shall be subordinate.

Section 16.16. Intentionally omitted.

Section 16.17. Holding Over. If the Tenant shall remain in the Premises after the expiration of the Term without having executed and delivered a new lease or extension/renewal agreement with the Landlord, such holding over shall not constitute a renewal or extension of this Lease. The Landlord may, at its option, elect to treat the Tenant as one who has not removed at the end of its Term, and thereupon be entitled to all the remedies against the Tenant provided by law in that situation, or the Landlord may elect, at its option, to construe such holding over as a tenancy from month to month, subject to all the terms and conditions of this Lease, except as to duration thereof, and in that event the Tenant shall pay Monthly Basic Rent and Additional Rent in advance at the rate as provided for by law, but in no event less than the rate provided herein for the last month of the Term.

Section 16.18. Payments. No payment by Tenant or receipt by Landlord of a lesser amount than the Basic Rent and Additional Rent herein stipulated shall be deemed to be other

than on account of the earliest stipulated Basic Rent and Additional Rent, nor shall any endorsement or statement on any check, any letter accompanying any check or payment as Basic Rent and Additional Rent be deemed an accord and satisfaction, and Landlord may accept such check or payment without prejudice to Landlord's right to recover the balance of such Basic Rent and Additional Rent or pursue any other remedy in this Lease provided.

Section 16.19. No Partnership. It is agreed that nothing contained in this Lease shall be deemed or construed as creating a partnership, joint venture, or of any association between Landlord and Tenant, or cause Landlord to be responsible in any way for the debts or obligations of Tenant, and neither the method of computing Basic Rent and Additional Rent nor any other provision contained in this Lease nor any acts of the parties hereto shall be deemed to create any relationship between Landlord and Tenant other than the relationship of Landlord and Tenant.

Section 16.20. No Option. The submission of this Lease or examination does not constitute a reservation of, or option for, the Premises, and this Lease becomes effective as a Lease only upon execution and delivery thereof by Landlord and Tenant.

Section 16.21. Personal Liability. Notwithstanding anything to the contrary provided in this Lease, it is understood and agreed, such agreement being a primary consideration for the execution of this Lease by Landlord, that there shall be absolutely no personal liability on the part of Landlord, its successors, assigns or any mortgagee in possession (for the purposes of this Section, collectively referred to as "Landlord"), with respect to any of the terms, covenants and conditions of this Lease, and that Tenant shall look solely to the equity of Landlord in the Property for the satisfaction of each and every remedy of Tenant in the event of any breach by Landlord of any of the terms, covenants and conditions of this Lease to be performed by Landlord, such exculpation of liability to be absolute and without any exceptions whatsoever. A deficit capital account in Landlord shall not be deemed an asset or property of Landlord. The foregoing limitation of liability shall be noted in any judgment secured against Landlord and in the judgment index.

Section 16.22. Intentionally omitted.

Section 16.23. Corporate Authority. If Tenant is a corporation, the persons executing this Lease on behalf of Tenant hereby covenant and warrant that (i) they are duly authorized by appropriate resolution and/or the articles and by-laws of said corporation to execute this Lease and thereby bind Tenant to all the terms and conditions thereof, (ii) Tenant is a duly qualified corporation and all steps have been taken prior to the execution of this Lease to qualify Tenant to do business in the state where the Property is situated, (iii) all franchise and corporate taxes have been paid as of the date of execution, and (iv) all future forms, reports, fees and other documents necessary to comply with applicable laws will be filed when due.

Section 16.24. Complete Agreement. The parties hereby affirm that this Lease contains all of the terms and conditions of the agreements between Landlord and Tenant and that there are no warranties expressed or implied by Landlord or Tenant not set forth in writing herein. This Lease may be executed in several counterparts; but the counterparts shall constitute but one and the same instrument.

Section 16.25. Sidewalk Obstructions. Tenant shall not obstruct vestibule areas outside of Tenant's doors, the sidewalks adjacent to the Premises or any portion of the Common Areas with any item, including without limitation, newspaper racks, freestanding sign holders, bicycle stands, vending machines, weighing machines, amusement rides, merchandise of any kind, and/or boxes, trash or other debris.

Section 16.26. Waiver of counterclaims. If Landlord commences any summary proceedings against Tenant, Tenant shall not, and hereby waives the right to, interpose any counterclaim in any such proceeding other than mandatory counterclaims.

Section 16.27. Prohibited Person. Each party represents and warrants that (i) neither such party nor any person, group or entity who owns any direct or indirect beneficial interest in such party or any of them, is listed on the list maintained by the Unites States Department of the Treasury, Office of Foreign Assets Control (commonly known as the OFAC List) or otherwise qualifies as a terrorist, Specially Designated National and Blocked Person or a person with whom business by a United States citizen or resident is prohibited (each a "Prohibited Person"); neither such party nor any person, group or entity who owns any direct or indirect beneficial interest in such party or any of them is in violation of any to anti-money laundering or anti- terrorism statute, including, without limitation, the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001, U.S. Public Law 107-56 (commonly known as the USA PATRIOT Act), and the related regulations issued thereunder, including temporary regulations, and Executive Orders (including, without limitation, Executive Order 13224) issued in connection therewith, all as amended from time to time; and (iii) neither such party nor any person, group or entity who owns any direct or indirect interest in such party is acting on behalf of a Prohibited Person. Each party shall indemnify and hold the other harmless from and against all claims, actual damages, actual losses, risks, liabilities and actual costs (including fines, penalties and legal costs) arising from any misrepresentation in this paragraph or the other party's reliance thereon. The parties' obligations under this paragraph shall survive the expiration or sooner termination of the term of this Lease.

Section 16.28. Force Majeure. Any time limits required to be met by either party hereunder, whether specifically made subject to Force Majeure or not, except those related to the payment of Basic Rent or Additional Rent, shall, unless specifically stated to the contrary elsewhere in this Lease, be automatically extended by the number of days by which any performance called for is delayed due to Force Majeure. Force Majeure shall mean and include those situations beyond Landlord's or Tenant's control, including by way of example and not by way of limitation, acts of God; accidents; repairs; strikes; shortages of labor, supplies or materials; inclement weather; or, where applicable, the passage of time while waiting for an adjustment of insurance proceeds.

Section 16.29. Waiver of Jury Trial. Landlord and Tenant waive trial by jury in any action, proceeding or counterclaim brought by either Landlord or Tenant against the other in any matters whatsoever arising out of or in any way connected with this Lease, Tenant's use or occupancy of the Premises, and/or any claim of injury or damage.

Section 16.30. Limitation on Damages. Notwithstanding any other provisions in this Lease, in no event shall Landlord be liable for any special, consequential, incidental or punitive damages.

ARTICLE XVII

Condition of Premises

Section 17.01. Condition of Premises. Tenant hereby acknowledges to Landlord that the Premises is being delivered with Landlord's Work substantially complete and that otherwise Tenant is leasing the Premises during the Term in its "AS IS" condition and Landlord makes no representation with respect thereto. Landlord shall promptly after the date hereof perform the work described in Exhibit C which is annexed hereto and made a part hereof (" Landlord's Work") at Landlord's sole cost and expense.

ARTICLE XVIII

ISRA Compliance

Section 18.01. Tenant acknowledges the existence of environmental laws, rules and regulation, including but not limited to the provisions of ISRA, as hereinafter defined. Tenant shall comply with any and all such laws, rules and regulations as applicable to the Premises. Tenant represents to Landlord that Tenant's Standard Industrial Classification (SIC) Number as designated in the Standard Industrial Classification Manual prepared by the Office of Management and Budget in the Executive Office of the President of the United States will not subject the Premises to ISRA applicability. Any change by Tenant to an operation with an SIC Number subject to ISRA shall require Landlord's written consent. Any such proposed change shall be sent in writing to Landlord sixty (60) days prior to the proposed change. Landlord, at its sole option, may deny consent.

Tenant agrees not to generate, store, manufacture, refine, transport, treat, dispose of, or otherwise permit to be present on or about the Premises, any Hazardous Substances. As used herein, Hazardous Substances shall be defined as any "hazardous chemical," "hazardous substance" or similar term as defined in the Comprehensive Environmental Responsibility Compensation and Liability Act, as amended (42 U.S.C. 9601, et seq.), the New Jersey Industrial Site Recovery Act, as amended, N.J.S.A. 13:1K-6 et seq. and/or the Industrial Site Recovery Act ("ISRA"), the New Jersey Spill Compensation and Control Act, as amended, N.J.S.A. 58:10- 23.11b, et seq., any rules or regulations promulgated thereunder, or in any other applicable federal, state or local law, rule or regulation dealing with environmental protection. It is understood and agreed that the provisions contained in this Section shall be applicable notwithstanding the fact that any substance shall not be deemed to be a Hazardous Substance at the time of its use by the Tenant but shall thereafter be deemed to be a Hazardous Substance.

Tenant agrees to execute such documents as Landlord reasonably deems necessary and to make such applications as Landlord reasonably requires to assure compliance with ISRA. In addition, prior to the expiration of the Term, Tenant agrees to make such

applications as are required to comply with ISRA in connection with closing, terminating or transferring operations or sale of the property or business entity of Landlord. Tenant shall bear all costs and expenses incurred by Landlord associated with any required ISRA compliance resulting from Tenant's use of the Premises including but not limited to state agency fees, engineering fees, clean-up costs, filing fees and suretyship expenses. As used in this Lease, ISRA compliance shall include applications for determinations of nonapplicability by the appropriate governmental authority. The foregoing undertaking shall survive the termination or sooner expiration of the Lease and surrender of the Premises and shall also survive sale, or lease or assignment of the Premises by Landlord. Tenant agrees to indemnify and hold Landlord harmless from any violation of ISRA occasioned by Tenant's use of the Premises, including reasonable counsel fees and costs of litigation.

Notwithstanding anything contained herein to the contrary, Tenant shall be permitted to keep small quantities of normal supplies which are used in connection with Tenant's business and normal cleaning supplies and copier supplies, even though they may be Hazardous Substances, provided the same are properly stored, handled and disposed of in full compliance with all environmental laws.

In the event Tenant fails to comply with ISRA as stated in this Section as of the termination or sooner expiration of the Lease and as a consequence thereof Landlord is unable to rent the Premises, then the Landlord shall treat the Tenant as one who has not removed at the end of its Term, and thereupon be entitled to all remedies against the Tenant provided by law in that situation, including Monthly Basic Rent of [***] ([***]%) percent of the Monthly Basic Rent for the last month of the Term or any renewal term, payable in advance on the first day of each month, until such time as Tenant provides Landlord with a no further action letter or confirmation that any required clean-up plan has been successfully completed.

Landlord shall deliver the Premises to Tenant free of all hazardous materials and in compliance with environmental laws. If Tenant discovers any hazardous materials in the Premises that are not brought into the Premises by Tenant (or its agents, contractors, employees or invitees), Landlord shall remediate such hazardous materials so that the same are in compliance with laws at Landlord's sole cost and expense (and not chargeable to Tenant as an operating expense). Additionally, if Tenant cannot occupy the Premises during any such remediate, the Basic Rent and Additional Rent shall be abated during such time period.

ARTICLE XIX

Landlord's Reserved Right

Section 19.01. Landlord reserves the right, during the Term of this Lease as the same may be extended, to modify, at Landlord's sole cost and expense, or construct, new store fronts, to include architectural variations on that which now exist pursuant to this Lease.

ARTICLE XX

Approvals

Section 20.01. Tenant shall at Tenant's sole cost and expense apply for and obtain a Certificate of Compliance, Certificate of Occupancy or Certificate of Continued Occupancy, as appropriate, from the municipality of Rochelle Park. Tenant shall provide Landlord with a copy of all such applications and further shall furnish Landlord with a copy of such certificate when issued.

ARTICLE XXI

Guarantor's Loan

Section 21.01. The Landlord may, at its option, require Tenant's Guarantor or its affiliate to pay off Landlord's existing mortgage on the Property, or otherwise to make a $4,500,000.00 non-recourse loan (the "Guarantor's Loan") to Landlord subject to the terms and conditions agreed upon in the Limited Recourse Promissory Note and Mortgage, Security Agreement, Assignments of Leases and Rents and Fixture Filing entered into by the parties. In such event, the grantor of such loan shall have a first priority lien on the Property. The documents evidencing the Guarantor's Loan, completed other than dates and signatures, are annexed hereto as Exhibit E, and the closing on such loan may occur in accordance with the terms of the Loan documents, but not later than 60 days after the Rent Commencement Date. Payments under the loan shall be offset against payments of Basic Rent and Additional Rent hereunder, with any deficiency in favor of Landlord paid monthly on the date due. In the event that the closing of Guarantor's Loan shall fail timely to occur, Landlord shall, in addition to all other rights and remedies, have the right to terminate this Lease upon notice to Tenant.

ARTICLE XXII

Option Period

Section 22.01. It is agreed that, during the period when Tenant is attempting to obtain its approval from the New Jersey Department of Health, as discussed hereinabove, neither party will enter into negotiations to lease premises in Rochelle Park to any third party for use as a medical marijuana facility as long as Tenant is pursuing such approval diligently and in good faith. In consideration for such forbearance by Landlord, Tenant shall cause its Guarantor to pay to Landlord the sum of [***] ($[***]) Dollars, in advance, on the first day of each calendar month until the first to occur of (i) the cancellation of this Lease as contemplated in Section 2.01(B), or (ii) the date on which Tenant obtains its approval from the New Jersey Department of Health.

ARTICLE XXIII

Condominium Provisions

Section 23.01. Landlord and Tenant acknowledge that the Premises and Building are subject to a condominium regime pursuant to the terms of that certain Master Deed and By-Laws

dated of event date herewith (including any documents ancillary thereto, collectively, the “Condominium Documents”).

Section 23.02. In the event that any provision of the Condominium Documents purporting to prohibit the use of the Premises for the permitted use set forth in the Basic Lease Provisions shall be asserted by any third party, and such prohibition shall be upheld by a court of competent jurisdiction, Landlord shall have the right to terminate this Lease upon not less than ninety (90) days’ notice, in which event this Lease and the Term shall expire on the date set forth therefor in Landlord’s notice as if such date were the date initially fixed as the Expiration Date.

Section 23.03. Landlord agrees that only such Operating Expenses shall be passed through to Tenant as set forth herein and no reimbursement shall be made on account of Landlord’s payment for a separate payment for Condominium common charges.

[*Signature page to follow*]

IN WITNESS WHEREOF, the parties hereto have executed this Lease as of the day and year first above written.

174 ROCHELLE LLC (Landlord)

By: /s/ Avak Uzatmaciyan
Name: Avak Uzatmaciyan
Title: Manager

GREENLEAF COMPASSION CENTER (Tenant)

By: /s/ Francis Perullo
Name: Francis Perullo
Title: Chief Strategy Officer

IN WITNESS WHEREOF, the paities hereto have executed this Lease as of the day and year first above written.

174 ROCHELLE LLC (Landlord)

By: _____

Name: _____

Title: Managing Member

GREENLEAF COMPASSION CENTER (Tenant)

By: /s/ Francis Perullo

Name: Francis Perullo

Title: Chief Strategy Officer

EXHIBIT A

SITE PLAN OF PROPERTY

EXHIBIT B

RULES AND REGULATIONS

1. Keep the Premises and all show windows and signs and any loading dock and other areas allocated for the sole use of Tenant in good, neat and clean condition.

2. All garbage, refuse and rubbish shall be kept in such containers as are specified by Landlord, said containers shall be kept closed at all times, and shall be placed outside of the premises prepared for collection, in the manner and at the times, and places specified by Landlord and shall be removed at Tenant's expense by a contractor approved by Landlord.

3. Not permit any act or practice which may tend to injure the Premises or the building of which the Premises forms a part or its equipment or be a nuisance to other tenants; nor keep merchandise on or obstruct the sidewalks or areas outside of the Premises; nor conduct or permit any fire, bankruptcy, auction or going-out-of-business sale; nor burn any rubbish in or about the Premises; nor change the exterior color of the Premises or the color, size, illumination or location of any sign previously approved by Landlord; nor install or employ any exterior lighting, shades, awnings or advertising device.

4. No aerial or other device for receiving radio or television programs shall be erected on the roof or exterior walls of the Premises, or within the Property without, in each instance, the written consent of Landlord. Any aerial or other device so installed without such written consent shall be subject to removal without notice at any time.

5. Keep the Premises at a temperature sufficiently high to prevent freezing of water in pipes and fixtures.

6. Keep the outside areas immediately adjoining the Premises clean and free from snow, ice, dirt and rubbish, and not place or permit any obstructions or merchandise in any of such areas.

7. Not use nor permit the use of the plumbing facilities for any other purpose than that for which they are constructed, and no foreign substance of any kind shall be thrown therein, and from expense of any breakage, stoppage, or damage resulting from a violation of this provision shall be borne by tenant, who shall, or whose employees, agents or invitees shall have caused it. Any sink to be used for washing pots, pans, glasses or dishes must have a grease trap of sufficient size and it must be properly maintained on a regular basis. Any violation which results in clogged drains will be cleaned at Tenant's expense.

8. Use, at Tenant's cost, such pest extermination contractor as Landlord may direct and at such intervals as Landlord may require, provided that the cost thereof is competitive with like contractors in the area of the Property.

9. Use, at Tenant's cost, such window cleaning contractor as Landlord may direct, provided that the cost thereof is competitive with like contractors in the area of the Property.

10. Not use or permit the use of any portion of the Premises as sleeping or living quarters or for the keeping of any live animals, fish or birds.

11. Not use or permit the use of any pinball machines, electronic games or similar device in the Premises.

12. Intentionally omitted.

13. No buses shall be operated by any Tenant on this Property. No tickets shall be sold for bus trips to Atlantic City or any other destination. Should any tenant wish to charter or otherwise arrange for a bus to be present on the Property, he must first obtain written permission from the Landlord. The request for permission to have a bus enter the property should contain particulars of the bus' operation noting as to its location of parking, picking up and discharging of passengers, and the like.

14. Any damage caused to the Premises or adjoining units by water spillage will be Tenant's responsibility.

15. There will be no roof penetration without Landlord's written permission.

16. Not permit any trailers, automobiles or other vehicles used or owned by Tenant, its agents, employees or customers to be left in the Common Areas after the normal business hours of the Property, nor allow any "for sale" signs or similar signs on any such cars within the Common Areas.

17. Tenant agrees to cause its invitees, employees, agents and contractors to smoke only in such portions of the Common Areas as Landlord from time to time designates for that purpose.

EXHIBIT C

LANDLORD'S WORK

1. Install new HVAC system.
2. Install dedicated 200 amp service.
3. Construct two (2) ADA-compliant bathrooms pursuant to plans to be submitted to Landlord for approval.

EXHIBIT D

PRE-APPROVED SIGNAGE

EXHIBIT E

GUARANTOR'S LOAN DOCUMENTS

EXHIBIT F

TENANT EXCLUSIVES

Landlord warrants and agrees that during the Term that it has not and will not, nor will any entity under common control with Landlord, enter into any lease, license agreement or other similar agreement affecting any premises in the Shopping Center (other than the Demised Premises) or any land contiguous to the Shopping Center which is owned or otherwise controlled by Landlord or a parent, subsidiary or affiliate of Landlord or in which any officer, partner, director or owner of Landlord has any interest (collectively, the "Restricted Property"), or otherwise sell, transfer or allow a possessory interest in the Restricted Property by Landlord or to any user, tenant, subtenant, assignee, licensee, concessionaire or other Occupant of the Restricted Property ("Restricted Property Occupant") to be used for the sale, rental and/or distribution, either singly or in any combination of (i) any daycare facility or similar facility involving the care of children; (ii) any vape or smoke shop; (iii) any cannabis related business; (iv) any CBD (cannabinoid oil or related cannabinoid oil products) related business, where such sales constitute greater than 25% of said business' gross revenue; and/or (v) any other use that would reasonably interfere with the state license(s) for the Tenant's business on the Premises ("Protected Items").

CONFIDENTIAL TREATMENT REQUESTED - REDACTED COPY

INDUSTRIOUS
MEMBERSHIP AGREEMENT

Contract Date:____2/9/20____

This Membership Agreement ("**Agreement**") is made by and between the Industrious entity or entities ("**Industrious**") and the member ("**Member**") set forth below:

Industrious		**Member**	
Name	INDUSTRIOUS NYC 1411 BROADWAY LLC	**Company Name**	Ascend Wellness
Location Address	1411 Broadway – 17th Floor New York, NY 10018	**Contact Name**	Abner Kurtin
		Email	[REDACTED]

for access to and services relating to the following office space (the "**Office Space**"), at the following terms:

Office No(s).	**Office Size (Seats)**	**Monthly Fee**	**Security Deposit**	**Conference Room Allowance**
Suite A	32	$34,768	$69,536	41 per month

License Start Date	**Earliest Expiration Date**	**Additional Terms**
3/16/2020	3/31/2021	Member to receive 3/16/20-3/31/20 at no cost Payment start date 4/1/20

The Agreement comprises this signature page and the Industrious Membership Terms and Conditions, together with any attached or referenced exhibits and schedules. Optional services are available, as set forth on the attached initial fee schedule, which fees are subject to change from time to time with reasonable advance notice to Member.

The initial license/membership term (the "**Term**") will be from the License Start Date through the Earliest Expiration Date (each as specified above). With the consent of Industrious, which it may grant or deny in its sole discretion, Member may elect to extend the Term for one (1) one-year period (the "Extension Period"). Annual License Fees hereunder shall escalate over those set forth above by [***] ([***]%) during the Extension Period. In the event Licensee wishes to extend the Term as aforesaid, it must submit a written request to Industrious in writing no less than one hundred eighty (180) days prior to the Earliest Expiration Date. Any further extension of the Term beyond the Extension Period shall be subject to the mutual consent of the parties at such terms as they may then agree, provided Licensee requests any further such extension no later than one hundred eighty (180) days prior to the conclusion of the Extension Period.

This Agreement may be executed in counterparts, each of which will be deemed an original and all of which taken together will constitute one and the same agreement. Signatures to this Agreement transmitted by electronic means will be valid and effective to bind the party so signing. This Agreement will not be valid until approved and signed by an authorized representative of Industrious.

By signing below, each party acknowledges that it has read and understood this Agreement and agrees to be bound by its terms, effective as of the Contract Date set forth above.

Industrious:	**Member:**
By: /s/ [REDACTED]	By: /s/ Abner Kurtin
Name: [REDACTED]	Name: Abner Kurtin
Title: Director of Business Development	Title:

Certain identified information has been omitted from this exhibit because it is not material and would likely cause competitive harm to the registrant if publicly disclosed. [***] indicates that information has been omitted.

INDUSTRIOUS

OPTIONAL SERVICES

(additional fees required)

INDUSTRIOUS
MEMBERSHIP TERMS AND CONDITIONS

These Membership Terms and Conditions are incorporated into and made part of the Membership Agreement ("**Agreement**") entered into by and between the Industrious entity or entities ("**Industrious**") and the member ("**Member**") set forth on the Agreement signature page. Capitalized terms not otherwise defined herein have the meanings ascribed to them on the Agreement signature page.

Section 1. Office Space and Services

(a) **Office Space**. Subject to these terms and conditions and payment of all applicable fees, Industrious will permit Member to access and use the number and configuration of furnished workspaces and workstations specified on the Agreement signature page (the "**Office Space**"), located at the property, building, or space owned, leased, or otherwise controlled by Industrious indicated on the Agreement signature page (the "**Premises**").

(b) **Start Date**. Industrious will use commercially reasonable efforts to make the Office Space available to Member as of the date specified on the Agreement signature page as the License Start Date, provided that if Industrious is unable to make the Office Space available on the date specified, the term "**License Start Date**" will mean the date Member actually receives access to the Office Space. Member's payment obligations will begin on the License Start Date.

(c) **Services**. The Premises will include power from standard power outlets, internet connection, printers/scanners, common area restrooms and a common area kitchen. For common use within the Premises, Industrious will use commercially reasonable efforts to provide certain additional services as may be described in the Member handbook provided to Member (all of the foregoing collectively, the "**Services**"). Any or all of the Services may be provided by Industrious, an affiliate of Industrious, or any third party service provider designated by Industrious from time to time in its sole discretion. All Services, other than power, shared internet connection and printers/scanners, that may be provided by or on behalf of Industrious may be added, deleted, or changed at any time at the sole discretion of Industrious, with or without prior notice to Member.

(d) **Business Hours**. Business hours for the Premises may vary by location—the hours of operation in effect will be posted at the Premises or otherwise made available to Member. Industrious reserves the right to close the Premises on national holidays and on days with inclement weather at the discretion of Industrious. Certain Services may be available only during regular business hours, excluding holidays. The Premises may be accessible outside of business hours using the key card assigned to Member, in accordance with the procedures set forth in the Member handbook or other policy documents applicable to the particular Industrious location.

(e) **Software**. In order to receive certain Services (including but not limited to access to the network, shared printing, etc.), Member may be required to install on Member's computer device certain drivers or software tools (collectively, "**Software**"). Member acknowledges and agrees that Software may be owned, controlled, or provided by third parties, and that the installation or use of any Software may be subject to separate licenses, terms, conditions, or restrictions. Industrious provides no warranties with respect to the Software (even if provided by or through Industrious), and as a condition of use of the Software, Member, on behalf of itself and its employees, agents, and invitees, waives any claim against Industrious, its affiliates, and any person acting on behalf of Industrious or its affiliates arising from or in conjunction with the installation or use of such Software.

(f) **Specific Services**. Industrious will accept mail on behalf of Members. However, Industrious will not be responsible for any items received on behalf of Member. If Member expects a special delivery or package, Member must provide Industrious with reasonable notice and instructions, if necessary, in order for Industrious to accept such delivery. Phone service is not included with the Office Space and, if offered by Industrious, will be subject to a separate fee. If Member's membership package includes a monthly allowance of conference room hours, such monthly allowance will not be rolled over from one month to the next.

(g) **Maintenance**. Industrious will use commercially reasonable efforts to maintain the Premises in good functional condition; provided that Member is and will remain responsible for, and will indemnify, defend and hold harmless Industrious and its affiliates for, any and all damage to the Office Space, Premises and/or the building in which the Premises is located, exceeding normal wear and tear, caused by Member or its agents, employees and invitees, and for the acts and omissions of Member and its employees, agents, or invitees.

(h) **Industrious Access**. Member acknowledges that Industrious and its designees will at all times have access to the Office Space, upon at least 24 hours' notice to Member (except in case of an emergency, which shall be determined in Industrious's sole discretion, and for routine janitorial or similar access), for purposes including but not limited to the maintenance and safety of the same and any emergency situations. Industrious may temporarily move and/or replace parts and components of the Office Space in Industrious's sole discretion. Notwithstanding the foregoing, except in the case of emergency, Industrious will use commercially reasonable efforts not to disrupt Member's business in or use of the Office Space.

(i) **License Only**. Notwithstanding anything herein to the contrary, this Agreement is a revocable license to access the Office Space and receive certain Services, upon the terms and conditions set forth herein. The relationship between Industrious and Member is that of a licensor and licensee only, and not a landlord-tenant or lessor-lessee relationship. This Agreement will not be construed to grant Member any right, title, interest, easement, or lien in or to Industrious's business, the Office Space, the Premises, or anything contained therein, nor will this Agreement be interpreted or construed as a lease. Member acknowledges that this Agreement creates no tenancy interest, leasehold estate, or other real property interest in Member's favor and Member hereby waives any and all claims and/or defenses based upon any such interest.

Section 2. Term and Termination of Agreement

(a) **Term**. The Term of this Agreement is set forth on the Agreement signature page.

(b) **Termination for Breach**. Industrious may terminate this Agreement in its sole discretion, effective immediately if Member or any of its agents, employees, or invitees breaches any provision in this Agreement or violates any Industrious rules, policies, or codes of conduct. Provided that, if Member fails to pay any fee when due, if it is Member's first delinquency in any twelve (12)-month period, Industrious will send Member written notice of the delinquency, and Member will have five (5) days from the date of such notice to cure the delinquency by paying all amounts owed (including late fees and finance charges, as applicable). Member is only entitled to one notice and cure period per twelve (12)-month period, and for any subsequent delinquency Industrious may terminate Member's license and membership immediately, in Industrious's sole discretion.

(c) **Termination for Convenience.** Industrious may terminate this Agreement (i) immediately in the event that Industrious's rights in the Premises terminate or expire for any reason; or (ii) upon sixty (60) days' written notice to Member in Industrious's sole and absolute discretion.

(d) **Removal of Property upon Termination**. On or prior to the termination or expiration of this Agreement, Member will remove all of its property from the Office Space and Premises, it being understood and agreed that member has no right to continue to use and/or access the Office Space or any Services after the expiration or termination of this Agreement. In addition to any other rights and remedies Industrious has hereunder, Industrious will be entitled to remove and dispose of any of such property remaining in or at the Office Space or the Premises after the termination of this Agreement, without notice to Member (whether belonging to Member or its employees, agents, or invitees), and Member waives any claims or demands regarding such property.

(e) **Effect of Termination**. Following the termination or expiration of this Agreement for any reason, Member will remain liable for all amounts due or owing as of the effective date of such termination or expiration. Without limiting the foregoing, if this Agreement is terminated for breach pursuant to Section 2(b) above, Member will remain liable for all License Fees owed through the remainder of the Term, and such License Fees will be due and payable immediately upon such termination. In the event this Agreement is terminated for convenience pursuant to Section 2(c) above, Industrious will within a reasonable time following the effective date of the termination return to Member any pre-paid License Fees or other fees applicable to the post-termination period. This Section 2 and Sections 4 through 7 of this Agreement will survive the

termination or expiration of this Agreement for any reason, as will all other provisions of this Agreement that may be reasonably expected to survive such termination or expiration.

Section 3. Fees

(a) **License Fees**. Beginning on the License Start Date, and continuing during the Term of this Agreement, Member will pay, in advance, the monthly license fee specified on the Agreement signature page ("**License Fee**"). The License Fee is due on or before the 1st of each month during the Term, provided that if the License Start Date falls on a date that is not the 1st day of the month, then on the License Start Date Member will pay the pro rata portion of the monthly License Fee for the remainder of that month. All License Fees must be paid in U.S. dollars. All amounts paid under this Agreement are nonrefundable and noncancellable, except as expressly provided herein. When Industrious receives funds from Member, such funds will be applied first to any past-due balances, oldest to newest, then second to the then current monthly fees due and owing.

(b) **Other Fees**. Credit card transactions are subject to a [***]% surcharge to cover Industrious's cost to accept and process credit card transactions. A [***] percent ([***]%) late fee will be charged on any outstanding balance existing on the 5th day of any month. Additionally, Member may be subject to additional fees or penalties for late payments, returned checks, or other declined payments due to insufficient funds, as set forth in fee schedules published or posted by Industrious from time to time. Member acknowledges that all fees are subject to change from time to time at the discretion of Industrious. Any late fees, charges and penalties are in addition to any other rights and remedies Industrious may have for Member's breach of this Agreement.

(c) **Security Deposit**. A security deposit ("Security Deposit") must be paid by Member upon execution of this Agreement in the amount set forth on the Agreement signature page. The Security Deposit will be refunded to Member within forty-five (45) days after termination of this Agreement, subject to the complete satisfaction of Member's obligations under this Agreement, as determined by Industrious in its sole discretion. The Security Deposit will be held by Industrious, without liability for interest, as security for the performance by Member of Member's covenants and obligations under this Agreement. Member acknowledges and agrees that the Security Deposit will not be considered an advance payment of the License Fee or a measure of Member's liability for damages in case of default by Member. Industrious may, from time to time and without prejudice to any other remedy, use the Security Deposit to the extent necessary to make good any arrearages of the License Fee or to satisfy any other covenant or obligation of Member hereunder. Following any such application of the Security Deposit, Member will pay to Industrious on demand the amount so applied in order to restore the Security Deposit to its original amount. To the extent of any unapplied Security Deposit after the termination of this Agreement, Industrious will only refund the same to Member, unless an authorized representative of Member directs Industrious in writing to send the refund to another person or location. If during the Term of this Agreement, Member changes the Office Space to one(s) carrying higher License Fees, Member will deliver to Industrious the incremental increase in the Security Deposit as required by Industrious.

(d) **Suspension of Services**. Industrious may withhold or suspend any Services and/or access to the Office Space and the Premises while there are any outstanding amounts due or Member is otherwise in breach of this Agreement, in addition to any other rights and remedies Industrious may have.

Section 4. Member Obligations

(a) **Background Checks**. Industrious reserves the right to conduct a basic criminal and OFAC background check on any or all of Member's owners, officers, employees and agents who will be granted access to the Premises (particularly if Member desires after-hours access for such persons), and Member agrees to use good faith efforts to assist Industrious with the same, at no cost of Member. After-hours access may only be granted to those persons who pass such background check to Industrious's sole and absolute satisfaction. Member represents and warrants that neither Member, nor any of its owners, officers, employees or agents has been or will be: (a) designated as a "blocked person" as such term is described in Executive Order 13224, issued September 23, 2001 by George W. Bush, President of the United States; or (b) a person or entity described either as a Specially Designated Global Terrorist or a Specially Designated Nationals and Blocked Persons by the Office of Foreign Assets Control ("**OFAC**") of the U.S. Department of the Treasury.

The continued accuracy throughout the Term of this Agreement of the foregoing representation and warranty is an ongoing material condition to this Agreement and, accordingly, Member has the obligation during the Term to immediately notify Industrious by written notice if the foregoing representation and warranty should ever become false. Any breach of the representation and warranty or failure on the part of Member to so update Industrious constitutes a breach of this Agreement.

(b) **Security**. Member acknowledges that all keys, key cards, key fobs, and other such items used to gain physical access to the building, Premises and/or the Office Space remain the property of Industrious, or its landlord or the owner of the Premises (as applicable, "**Landlord**"). Member will not attempt to (or allow others to) gain unauthorized access to any computer systems located at or serving the Premises or any content or data of Industrious, other members, or any other person. Neither Member nor any of its agents, employees or invitees are permitted to enter any other office space in the Premises. Member will use its best efforts to safeguard the Premises and Industrious's property and will be liable for all costs and expenses should any such property be lost or damaged as a result of Member's and/or its employees, agents or invitees acts or omissions. Member is solely responsible for maintaining all necessary security and control of any and all user names, passwords, or any other credentials issued to or used by Member or its employees, agents or invitees, for use with Industrious's computer systems, networks, or other Services provided under this Agreement. Member will not allow (and will instruct its employees and agents to not allow) a party unknown to them to enter the Office Space or the Premises and acknowledges that such action may result in the termination of this Agreement. Member is and will remain responsible for the actions or omissions of all persons that Member or its employees, agents or invitees allow or invite to enter the Office Space or the Premises.

(c) **Complaints**. Member agrees that all issues and complaints relating to the Office Space or other members will be directed solely to Industrious. Member will have no direct access to or communication with the Landlord (if other than Industrious), and Member agrees not to send any complaints or demands to the Landlord directly.

(d) **Privacy Policy**. Member agrees that the use of Industrious's online portal and website are subject to Industrious's Portal Terms of Use and Privacy Policy, which are available at www.industriousoffice.com/portalterms/ and www.industriousoffice.com/privacypolicy/, respectively, and which are subject to change from time to time in Industrious's sole discretion.

(e) **Rules and Policies**. Additional rules may be set forth in the Member handbook or other policy documents applicable to each Industrious location, which are subject to change from time to time in Industrious's sole discretion. Member agrees to abide by all rules and policies as determined by Industrious from time to time, whether communicated to Member verbally, by email, other written notice or public posting. Without limiting the foregoing, Industrious may require Member and each of its owners, officers, employees, agents and invitees who will be granted access to the Premises to agree to and sign Industrious's Anti-Harassment Policy prior to using the Office Space or Services.

(f) **Prohibited Conduct**. In addition to any other applicable rules and policies issued by Industrious, Member agrees to the following terms and conditions:

(i) **No Assignment or Sublicense**. Member may not sell, lease, license, distribute or grant any interest in the Office Space or any of the Services to any third party. Further, Member may not assign this Agreement in whole or in part, or otherwise transfer, sublicense or otherwise delegate any of Member's rights or obligations under this Agreement, to any third party.

(ii) **No Alterations**. Member may not alter the Office Space or Premises in any manner or attach or affix any items to the walls, floors or windows, without the prior written consent of Industrious.

(iii) **No Unapproved Items**. Member may not store any of its property or materials in any area of the Premises, except the Office Space. Member may not bring any additional furniture, furnishings or decorations into the Premises or Office Space or install any satellite or microwave antennas, dishes, cabling or telecommunications lines in the Premises or Office Space without the prior written consent of Industrious in its sole discretion. Member acknowledges that carts, dollies and

other freight items may not be used in the passenger elevator except by appointment made with Industrious, at Industrious's sole discretion.

(iv) **No Retail Use**. Member will use the Office Space solely as general office space in the conduct of Member's business and for no other use whatsoever. Use of the Office Space for retail, medical or other type of business involving frequent visits by members of the public is not permitted. Regular use of the Office Space is limited to those persons subject to background checks as set forth in this Agreement.

(v) **No Illegal Activities**. Member may not use the Premises, any Services, or any Industrious computer systems or networks to conduct or pursue any illegal activities, including but not limited to, downloading, distributing or viewing any illegal content, engaging in any activity in violation of OFAC regulations, and/or illegally downloading any copyrighted content, or any other activity that violates any intellectual property rights, and any such conduct using the Premises or Industrious's systems or networks may result in immediate termination of this Agreement.

(vi) **No Offensive Behavior**. Member may not conduct any activity that is generally regarded as offensive to other people, including but not limited to, involvement in hate groups or activities involving pornographic or sexually explicit materials or obscenities, whether written, oral, or in any form or medium. Member will refrain from any activities that may be disruptive, including but not limited to, acts of disorderly nature or excessive noise. Member may not conduct any activity which may be hazardous to other persons in the building. Industrious may determine at its sole discretion what activities may be deemed offensive, disruptive or hazardous.

(vii) **No Malware, Spamming**. Member may not upload any files that Member knows or suspects to contain or may contain viruses, Trojan Horses, worms, time bombs, candlebots, corrupted files, or any other malicious code, whether known or unknown that may damage or disrupt Industrious's or any other person's computer systems or networks. Member will take precautions to prevent the spread of viruses, including but not limited to, using up-to-date anti-virus software, enacting policies to avoid opening suspicious emails, and avoiding suspicious websites. Spamming other members or any other persons is strictly prohibited, and any such conduct using the Premises or Industrious's systems or networks may result in immediate termination of this Agreement.

Section 5. Intellectual Property and Confidentiality

(a) **Trademarks**. Member may not use Industrious's name, logo, trademarks, service marks or domain names (collectively, "**Industrious Marks**") in any way in connection with Member's business, without the express written consent of Industrious, in its sole discretion. Member will comply with all standards established by Industrious from time to time with respect to the Industrious Marks. Member hereby acknowledges and agrees that all right, title, and interest in and to the Industrious Marks belong to Industrious, and that all usage and goodwill of the Industrious Marks will inure only to the benefit of Industrious. Member will not use, register, or attempt to register any trademarks or domain names that are confusingly similar to the Industrious Marks, nor use the Industrious Marks in any manner that would indicate that Member has any rights thereto. If consent to use the Industrious Marks is granted as set forth above, Industrious reserves the right to revoke Member's rights to use the Industrious Marks at any time in Industrious's sole discretion.

(b) **Publicity**. Member may use the address of the Office Space as its business address, but only during the Term of this Agreement. Member may not use photos or illustrations of the Premises, or any Industrious Marks, in any of Member's marketing materials or in any other manner without the express written consent of Industrious. Further, no press release, advertising, sales literature or other publicity statements relating to the existence or substance of this Agreement or the relationship of the parties may be made by Member without the prior written approval of Industrious. Member grants Industrious and its affiliates the right to use Member's trade name(s), logos and/or trademarks in Industrious's materials prepared for its shareholders or members, or prospective shareholders or members.

(c) **Member Directory**. Industrious may place Member's name and contact information in a directory of Industrious members; provided that Member will be given the opportunity to "opt-out" of such listing which it may do at any time.

(d) **Photo and Video Shoots**. Member acknowledges that promotional photography and/or video recording (a "**Shoot**") may occur in the Premises (but not within the Office Space) from time to time. Industrious will provide Member with reasonable advance notice of any such Shoot, and at such time Member may request that Industrious endeavor to avoid capturing Member's name, likeness, image, voice and/or appearance in the background any such recordings. Industrious will use commercially reasonable efforts to comply with Member's request. Subject to the foregoing, by entering that portion of the Premises in which a Shoot is taking place, Member and Member's employees, agents, and invitees consent to such photography and/or video recording and the release, publication, exhibition or reproduction of such recordings in which they may appear for promotional purposes by Industrious and its affiliates and representatives. Subject to the foregoing, Member and its employees, agents, and invitees each hereby releases and discharges Industrious and its agents, representatives, and assignees from any and all claims and demands arising out of or in connection with the use of the name, likeness, image, voice, or appearance of Member or any of its employees, agents, or invitees, including any and all claims for invasion of privacy, right of publicity, misappropriation, misuse, and defamation. Member represents and warrants to Industrious that its employees, agents, and invitees will have been informed of and agreed to this consent, waiver of liability, and release before they enter that portion of the Premises in which a Shoot is taking place.

(e) **Confidential Information**. Member may receive or learn certain confidential information about Industrious or Industrious's other members, including without limitation, information regarding its or their business operations, business and marketing plans, pricing, technology, finances and methods (collectively, "**Confidential Information**"). Member agrees to hold all Confidential Information, whether belonging to Industrious or its other members, in strict confidence and to take all reasonable precautions to protect such Confidential Information. Member acknowledges that any disclosure or unauthorized use of Industrious's Confidential Information will constitute a material breach of this Agreement and cause substantial harm to Industrious for which damages would not be a fully adequate remedy. In the event of any such breach, Industrious will have, in addition to any other available rights and remedies, the right to injunctive relief (without being required to post any bond or security). If an employee or agent of Industrious becomes aware of any Confidential Information of Member, Industrious agrees to cause such employee or agent to hold such Confidential Information in strict confidence and to take all reasonable precautions to protect such Confidential Information, except any disclosure required by law, court order or in connection with a breach of this Agreement by Member.

Section 6. Liability

(a) **Waiver of Claims**. Member will be solely responsible for maintaining the insurance coverage required hereunder and Member will look solely to such insurance for any and all claims, damages, costs, expenses, liabilities and rights it may have, except to the extent arising or resulting from the gross negligence or willful misconduct of an Industrious Party (defined hereunder). To the maximum extent permitted by law, Member, on its own behalf and on behalf of its owners, officers, employees, agents and invitees, hereby Waives (as defined hereunder) any and all claims, actions, damages, costs, expenses, liabilities and rights against Industrious, its affiliates, and each of its and their past, present and future principals, members, assignees, managers, directors, officers, employees, agents, successors and assigns (each an "**Industrious Party**" and collectively, "**Industrious Parties**") arising or resulting from (i) any injury or damage to, or destruction, theft, or loss of, any tangible or intangible property located in or about the Office Space, the Premises or the building in which the Premises is located, (ii) any personal injury, bodily injury or property damage (as such terms are defined by insurance regulations) occurring in or at the Office Space, the Premises or the building in which the Premises is located, or (iii) any interruption or stoppage of any Service, except to the extent arising or resulting from the gross negligence or willful misconduct of an Industrious Party. For purposes of this Agreement, "**affiliates**" of Industrious include any person or entity that controls, is controlled by, or is under common control with Industrious, including without limitation, any subsidiaries or parent companies; and the term "**Waives**" means that Member, and its owners, officers, employees, agents and invitees waive and knowingly and voluntarily assume the risk of.

(b) **Disclaimer of Warranties**. Industrious expressly disclaims and excludes all warranties, whether express, implied or statutory, with respect to the Office Space, the Premises and the Services provided by or on behalf of Industrious, including but not limited to, any warranty of merchantability, fitness for a particular purpose, non- infringement, habitability, or quiet enjoyment, or any warranties that may have arisen or may arise from course of performance, course of dealing or usage of trade. Industrious makes no representations or warranties regarding the quality, reliability, timeliness or security of the Office Space or any Services provided by or on behalf of Industrious, or that any Services will be uninterrupted or operate error free. The Office Space, Premises and Services provided by Industrious are provided "as is" and "with all faults".

(c) **Limitation of Liability**. The aggregate monetary liability of the Industrious Parties to Member, its owners, officers, employees, agents and invitees for any reason and for all causes of action, whether in contract, in tort, or otherwise, not otherwise waived as set forth above, will not exceed the total fees paid by Member to Industrious under this Agreement during the two (2)-month period before the cause of action accrued. Notwithstanding anything herein to the contrary, in no event will any Industrious Party be liable for any claim or cause of action, whether in contract, in tort, or otherwise for any indirect, special, consequential, or punitive damages, including but not limited to, loss of profits or business interruption, even if Industrious has been advised of such damages. Member acknowledges that Industrious's obligations under this Agreement are consideration for the foregoing limitations of liability. The limitations, waivers, disclaimers and exclusions in this Agreement apply to the maximum extent allowed by law, even if a remedy fails its essential purpose.

(d) **Limitation of Actions**. To the extent not otherwise waived as set forth above, Member must commence any action, suit or proceeding against any Industrious Parties, whether in contract, tort, or otherwise, within one (1) year of the cause of action's accrual, and Member, on its own behalf and on behalf of its owners, officers, employees, agents and invitees, hereby Waives any claims not brought within such time period.

(e) **Indemnification**. Member will indemnify, defend and hold harmless each of the Industrious Parties from, and against any and all actual claims, actions, proceedings, damages, liabilities, costs and expenses of every kind, whether known or unknown, including but not limited to reasonable attorney fees (collectively, "**Claim(s)**"), to the extent resulting from or arising out of (i) any breach of this Agreement by Member or Member's owners, officers, employees, agents, or invitees; or (ii) any actions, errors, omissions, negligence, willful misconduct or fraud of Member or Member's owners, officers, employees, agents or invitees. If any such Claim is brought against any of the Industrious Parties, Member will defend the Claim at Member's expense, upon written notice from Industrious, using counsel approved by Industrious in writing, such approval not to be unreasonably withheld. The Industrious Parties' refusal to consent to a settlement shall not be deemed unreasonable when the proposed settlement requires or results in the Industrious Parties, or any one of them, admitting to any wrongdoing or liability.

(f) **Insurance Requirements**. Member, at its expense, will maintain at all times during the Term of this Agreement, (i) personal property insurance covering any and all personal property of Member and its owners, officers, employees, agents and invitees from time to time, within the Office Space, the Premises and/or the building in which the Premises is located, (ii) commercial general liability insurance covering personal injury, bodily injury and property damage, (iii) business interruption insurance, and (iv) if applicable, worker's compensation insurance as required by law, all of which insurance coverage will be in the form and amount reasonably acceptable to Industrious. All insurance policy(ies) required to be carried by Member must (1) name, as additional insureds, Industrious and its Landlord(s) (including any master landlord and their respective lender(s)), or other persons with responsibility for the Premises whom Industrious may designate in writing to Member, and (2) be endorsed to waive all rights of subrogation against Industrious and its Landlord(s). Upon request from Industrious, Member will promptly provide proof of insurance required to be carried above, and in the form required above, including without limitation, the inclusion of the required additional insureds and waivers of subrogation. Further, Member, on its own behalf and on behalf of its employees, agents and invitees, hereby waives all rights of recovery against the Industrious Parties by way of subrogation or otherwise. If Member fails to maintain any insurance required hereunder, Industrious's failure to take any action regarding such breach, including but not limited to, requesting or requiring proof of the existence of any such insurance at any time, and/or providing notice to Member of any such non-compliance,

will not be considered or construed in any manner as a waiver of any rights of Industrious for such breach, nor will such failure of Member to carry any such insurance or such failure of Industrious to take any action with regard to such breach impose any obligation or liability on Industrious in any manner. Industrious reserves the right, but will not be obligated, to purchase any required insurance on behalf of Member, at Member's expense. If Member fails to carry any required insurance and a Claim occurs that would otherwise be covered by Member's insurance, Industrious, without imposing any liability on Industrious or waiving any rights Industrious has with regard to Member's breach, may, but will not be obligated to, make a claim under any insurance policy carried by Industrious to cover such Claim, in which event Member will be liable to Industrious for all costs and expenses of Industrious to cover such Claim, including, but not limited to, the applicable deductible and a reasonable portion of the premium as determined by Industrious. Industrious, at its expense, will maintain during the Term insurance in such amounts as required under Industrious's lease with its Landlord for the Premises (the "**Lease**").

(g) **Non-Solicitation**. Member will not, during the Term of this Agreement and for a period of one (1) year thereafter, solicit the employment of any officer, employee, contractor, subcontractor or service provider of Industrious, which causes such person, directly or indirectly, to decrease or terminate its employment or business with Industrious. If Member hires any employee, contractor or subcontractor of Industrious during the period described, Member will pay to Industrious an amount equal to such person's annual salary with or fees from Industrious. Notwithstanding the foregoing, nothing in this paragraph shall restrict or preclude Member from hiring any person who responds to a general solicitation of employment through an advertisement not targeted specifically at Industrious or its employees.

Section 7. General

(a) **Breach of Agreement**. In the event of a breach of this Agreement by Member, Industrious will have any and all rights and remedies available to Industrious as set forth in the Agreement, at law and/or in equity, including without limitation, recovery of all court costs and reasonable attorneys' fees incurred by Industrious in pursuing such remedies, whether suit is filed or not, all of which rights and remedies are cumulative and not exclusive of each other.

(b) **Entire Agreement**. This Agreement, including all schedules and attachments incorporated by reference, sets forth the entire understanding of the parties relating to its subject matter, and all other understandings, written or oral, are superseded. This Agreement will also be deemed to include all policies, procedures, and requirements published by Industrious from time to time, with which Member hereby agrees to comply. Except as otherwise provided in this Agreement, this Agreement may not be amended except in a writing executed by both parties.

(c) **Subordination**. Notwithstanding anything herein to the contrary, this Agreement is at all times subject and subordinate to the Lease with Landlord and to any other agreements to which the Lease is subject or subordinate. Member acknowledges that Member has no rights under the Lease.

(d) **Governing Law; Venue; Waiver of Jury Trial**. This Agreement is governed by the laws of New York, without giving effect to any conflict of law principle that would result in the laws of any other jurisdiction governing this Agreement. Any action, suit, or proceeding arising out of the subject matter of this Agreement will be litigated in courts located in New York County, New York. Member consents and submits to the jurisdiction of any local, state, or federal court in New York County, New York. EACH PARTY, BY ENTERING INTO THIS AGREEMENT, HEREBY IRREVOCABLY AGREES TO WAIVE ANY RIGHT TO A JURY TRIAL OF ANY CLAIM OR CAUSE OF ACTION BASED UPON OR ARISING OUT OF THE SUBJECT MATTER OF THIS AGREEMENT.

(e) **Waivers**. Neither party will be deemed by any act or omission to have waived any of its rights or remedies hereunder unless such waiver is in writing and signed by the waiving party, and then only to the extent specifically set forth in writing. Further, one or more waivers of any covenant or condition by either party will not be construed as a waiver of a subsequent breach of the same covenant or condition, and the consent or approval by either party to or of any act requiring such consent or approval will not be deemed to render unnecessary future consent or approval to or of any subsequent similar act.

(f) **Relationship of the Parties**. The parties to this Agreement are independent contractors and will not be considered agents, employees, servants, joint venturers, or partners of one another. Neither party has the authority to bind the other party except as explicitly set forth in this Agreement, and neither party will make any representation or warranty otherwise. Industrious will have no responsibility for any fee or expense incurred by Member in connection with either party's performance this Agreement, or provision or use of the Services.

(g) **Successors and Assigns**. In the event of any transfer or transfers of Industrious's interest in the Premises, Industrious will automatically be relieved of any and all respective obligations accruing from and after the date of such transfer. Following any such transfer(s), all rights, obligations and interests of Industrious under this Agreement will apply to, inure to the benefit of, and be binding on any such successors and assigns of Industrious.

(h) **No Third-Party Beneficiaries**. Except for third parties entitled to indemnity under this Agreement or third parties whose liability is specifically limited pursuant to the terms of this Agreement, the parties to this Agreement do not intend to confer any right or remedy on any third party.

(i) **Force Majeure**. Neither party is liable for, and will not be considered in default or breach of this Agreement on account of, any delay or failure to perform as required by this Agreement (with the exception Member's obligation to pay any sum due to Industrious hereunder, including without limitation, the License Fees, which obligation will remain unaffected by the provisions of this paragraph) as a result of any causes or conditions that are beyond such party's reasonable control and which such party is unable to overcome by the exercise of reasonable diligence, provided that the affected party will use commercially reasonable efforts to promptly resume normal performance.

(j) **Severability**. If a provision of this Agreement is determined to be unenforceable in any respect, the enforceability of the provision in any other respect and of the remaining provisions of this Agreement will not be impaired.

(k) **Notices**. Unless expressly specified otherwise herein, all notices, requests, demands and other communications to be delivered hereunder will be in writing and delivered in person, by nationally recognized overnight carrier, or by registered or certified mail, return-receipt requested and postage prepaid, to the following addresses: if to Industrious, to: Industrious, Attn: Counsel, 215 Park Avenue South, Suite 1300, New York, NY 10003; and if to Member: to the address provided by Member upon execution of this Agreement, and if none, then to the Office Space. All notices will be deemed effective as of the date of confirmed delivery or refusal of receipt. In addition to the foregoing methods, notices from Industrious to Member may also be delivered by email to the email address provided by Member upon execution of this Agreement. Notices of non-renewal by Member may, at the Member's option, be delivered by email to the Industrious email address provided to Member upon execution of this Agreement. Delivery of notices by email hereunder will be deemed effective upon transmission. Each party may update its respective address and/or e-mail address from time to time upon written notice to the other. Member must promptly provide Industrious with any change of address, e-mail address and other contact information (including phone number). Member agrees to accept community-wide emails sent out to all members by Industrious from time to time, which will be the responsibility of Member to review.

(l) **Updates to Agreement**. Notwithstanding any other provision in this Agreement, Industrious may from time to time update the terms of this Agreement by providing at least thirty (30) days' notice to Member; provided that such updates shall not materially interfere with Member's rights under this Agreement or impose any additional material obligations on Member. Member acknowledges that Member's continued use of the Office Space and/or Services beyond such thirty (30)-day period will constitute acceptance of such updated terms. Member acknowledges that Industrious may serve notice of any changes to Services, fees (other than License Fees hereunder) or other updates through community-wide emails sent out to all members or through notices posted at the Premises, and Member agrees to accept and review such community-wide notices.

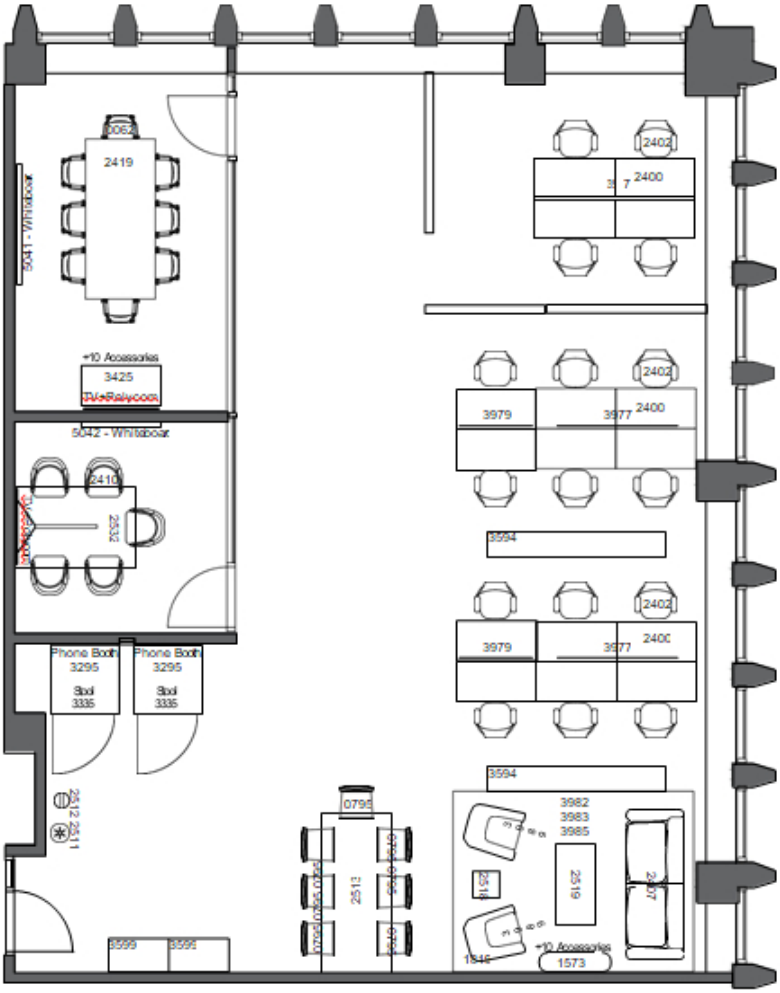
(m) **Accord and Satisfaction**. No payment by Member or receipt by Industrious of a lesser amount than required hereunder will be deemed to be other than on account of the earliest amounts due hereunder, nor will any endorsement or statement on any check or any letter accompanying any check or payment be

deemed an accord and satisfaction and Industrious may accept such check or payment without prejudice to its rights to recover the balance of such amounts or pursue any other rights and remedies it has under this Agreement.

(n) **Time of Essence**. Time is of the essence with respect to the performance of each of Member's obligations under this Agreement.

(o) **Furniture and Design.** Industrious will furnish the Office Space with Industrious standard furnishings, fixtures and equipment ("**FFE**") in accordance with the approved "FFE Specifications Plan" attached hereto as Attachment 1 and made a part of this Agreement. Any FFE that Licensee wishes to install in the Office Space outside of Industrious standard FFE, will be the sole responsibility of the Licensee, and shall be subject to Industrious's approval, which shall not be unreasonably withheld. Any changes to FFE or design after approval of the FFE Specifications Plan shall require the consent of Industrious, which shall not be unreasonably withheld, provided that Licensee will have sole responsibility for (1) any substitutions or additions to the design that result in additional costs above those specified in the FFE Specification Plan, and (2) any incremental hard or soft costs incurred because of changes requested by the Licensee, in each case in the amount specified by Industrious when it approves such change(s).

Attachment 1: FFE Specifications Plan



CONFIDENTIAL TREATMENT REQUESTED - REDACTED COPY

Industrious
MEMBERSHIP AGREEMENT AMENDMENT

Contract Date: 7/23/2020

This Industrious Membership Agreement Amendment **("Amendment")** is made by and between the Industrious entity or entities **("Industrious")** and the member **("Member")** set forth below, and serves to modify that certain Industrious Membership Agreement executed by the parties dated (the **"Agreement"):**

Industrious		**Member**	
Name	INDUSTRIOUS NYC 1411 BROADWAY	**Company Name**	Ascend Wellness Holdings
Location Address	1411 Broadway 16th Floor New York, NY 10018	**Contact Name**	Abner Kurtin
		Email	[REDACTED]

The Agreement, including the relevant information on the signature page thereto, is hereby amended to specify that Member shall have access to and services relating to the following office space (the "Office Space"), at the following terms:

Office No(s).	**Office Size (Seats)**	**Monthly Fee**	**ACH Discount**	**Security Deposit**	**Conference Room Allowance**
NYCBRY046	2	$3,320.25	[***]% discount off Monthly Fee for payments made by ACH via Industrious' billing portal	$5,244.00	7 hours per month
NYCBRY047	7	$8,455.00	[***]% discount off Monthly Fee for payments made by ACH via Industrious' billing portal	$13,345.12	12 hours per month

License Start Date	**Earliest Expiration Date**	**Month-to-Month Agreement**	**One Month Termination Option** **(Month-to-Month Agreements Only)**	**Credit Card and Debit Card Surcharge**
8/1/2020	6-Month 2/28/2021	No	No	NA

Certain identified information has been omitted from this exhibit because it is not material and would likely cause competitive harm to the registrant if publicly disclosed. [***] indicates that information has been omitted.

Member licensed Suite A of the Premises (the "Original Office Space") pursuant to the Agreement, and Member and Industrious acknowledge and agree that Member shall vacate and surrender the Original Office Space on or before the Contract Date of this Amendment in the condition required under the Agreement. Effective on the Contract Date of this Amendment, Tenant hereby agrees to license the New Office Space and the "Office Space" shall mean the New Office Space.

Pursuant to the Agreement, Industrious holds a security deposit in the amount of $69,536.00 (the "Security Deposit"). Industrious and Member agree that the Security Deposit shall be reduced and applied as follows:

(i) $11,775.25 per month shall be applicable to the Monthly Fee for the Office Space for the months of August, September and October for the calendar year 2020 (i.e., $35,325.75 in the aggregate); (ii) the Security Deposit held by Industrious shall be reduced to $18,589.12; and (iii) $15,621.13 shall be retained by and released to Industrious.

TIME-LIMITED PROMOTION

In recognition of the uncertainty associated with governmental stay-at-home orders implemented as a result of the COVID-19 pandemic, if this Amendment is signed on or before September 30, 2020 and results in either (a) the extension of the Agreement for a Term of six (6) months or greater and/or (b) the expansion or addition of Office Space for a Term of six (6) months or greater, Industrious will honor the following discount, notwithstanding any language to the contrary elsewhere in this Amendment or in the Agreement: In the event that a governmental stay-at-home order is implemented In the jurisdiction where the Office Space Is located, and such order endures for more than five (5) business days, Member will receive a pro-rated discount of [***] percent ([***]%) off the License Fee set forth in this Amendment for every business day that such order is in effect. A "business day" for purposes of this paragraph is a day of the week from Monday through Friday. The discount set forth in this paragraph shall be in effect for the period from June 30, 2020 through and including December 31, 2020, unless otherwise extended in writing by Industrious.

The applicable provisions of this Amendment shall be deemed to be incorporated into the Agreement in full and to be an integral part thereof as though fully set forth therein. With the exception of the above amendment, all other provisions of the Agreement shall remain in full force and effect. Capitalized terms not otherwise defined in this Amendment shall retain their definitions set forth in the Agreement. This Amendment may be executed in counterparts, each of which shall be an original and all of which taken together shall constitute one and the same agreement. Signatures to this Amendment transmitted by electronic means shall be valid and effective to bind the party so signing. This Amendment will not be valid until approved and signed by an authorized representative of Industrious.

By signing below, each party acknowledges that it has read and understood this Amendment and agrees to be bound by its terms, effective as of the Contract Date set forth above.

Industrious:	Member:
By: _____	By: _____

Certain identified information has been omitted from this exhibit because it is not material and would likely cause competitive harm to the registrant if publicly disclosed. [***] indicates that information has been omitted.

Name: [REDACTED] Title: Community Manager	Company Name: Ascend Wellness Holdings Contact Name: Abner Kurtin Title: CEO

Certain identified information has been omitted from this exhibit because it is not material and would likely cause competitive harm to the registrant if publicly disclosed. [***] indicates that information has been omitted.

DOCUMENT NAME: Ascend Wellness Holdings - Amendment FINAL
DOC ID: [REDACTED]

ELECTRONICALLY SIGNED BY:

Name: Abner Kurtin
Title: Founder
Company: AWH
Email: [REDACTED]
Date!Time: August 2, 2020 13:57:10
IP Address: [REDACTED]
/s/ Abner Kurtin

Name: [REDACTED]
Date!Time: August 4, 2020 08:53:55
/s/ Lauren Cohen

Certain identified information has been omitted from this exhibit because it is not material and would likely cause competitive harm to the registrant if publicly disclosed. [***] indicates that information has been omitted.

INVESTMENT AGREEMENT

among

MedMen NY, Inc.

and

MM ENTERPRISES USA, LLC

and

AWH New York, LLC

and

Ascend Wellness Holdings, LLC

dated as of
February 25, 2021

Certain identified information has been omitted from this exhibit because it is not material and would likely cause competitive harm to the registrant if publicly disclosed. [***] indicates that information has been omitted.

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INVESTMENT AGREEMENT

This Investment Agreement (this "**Agreement**"), dated as of February 25, 2021 (the "**Agreement Date**"), is entered into by and among MedMen NY, Inc., a New York corporation, (the "**Company**"), MM Enterprises USA, LLC, a Delaware limited liability company ("**Company Parent**"), AWH New York, LLC, a New York limited liability company ("**Investor**") and Ascend Wellness Holdings, LLC, a Delaware limited liability company ("**Investor Parent**").

WHEREAS, the Company requires additional capital to satisfy outstanding indebtedness and for working capital and other general corporate purposes;

WHEREAS, Investor is willing to provide such capital to the Company through the purchase of certain shares of capital stock of the Company, as further described herein; and

WHEREAS, the board of directors or managers, as applicable, of each of the Company, Company Parent and Investor has adopted and approved this Agreement and the transactions contemplated herein.

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

ARTICLE I.
DEFINITIONS

The following terms have the meanings specified or referred to in this **Article I**:

"**Accounts Receivable**" means all receivables (including notes, book debts and other amounts due or accrued, whether billed or unbilled), arising from or related to or in respect of the Business, whether or not in the Ordinary Course of Business, together with any unpaid financing charges accrued thereon and the benefit of all security for such accounts receivable, notes and debts, including all receivables reflected or which will be reflected in the Recent Balance Sheet.

"**Acquisition Proposal**" has the meaning set forth in **Section 5.3(a)**.

"**Action**" means any claim, action, cause of action, demand, lawsuit, arbitration, inquiry, audit, notice of violation, proceeding, litigation, citation, summons, subpoena or investigation of any nature, civil, criminal, administrative, regulatory or otherwise, whether at law or in equity that is commenced, brought, tried or heard by or before, or otherwise involving a Governmental Authority.

"**Adjusted Cash Purchase Price**" means (A) the Base Cash Purchase Price, *minus* (B) the aggregate amount of all Change in Control Payments not otherwise paid as of immediately prior to the Initial Closing, *minus* (C) the aggregate amount of all Transaction Expenses not otherwise paid as of immediately prior to the Initial Closing, *minus* (D) the aggregate amount of the Excess Operating Costs, if any, *minus* (E) the Company Debt Payoff Amount, *minus* (F) the Net Working Capital Deficiency, if any, *plus* (G) the Net Working Capital Surplus, if any.

"**Affiliate**" of a Person means any other Person that directly or indirectly, through one or more intermediaries, controls, is controlled by, or is under common control with, such Person. The term "control" (including the terms "controlled by" and "under common control with") means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a Person, whether through the ownership of voting securities, by contract or otherwise.

"**Agreement**" has the meaning set forth in the preamble.

"**Agreement Date**" has the meaning set forth in the preamble.

"**Allocation Certificate**" has the meaning set forth in **Section 2.4(b)**.

"**Base Cash Purchase Price**" means $35,000,000.

"**Break Fee**" means a cash payment equal to $[***].

"**Business**" means the business conducted by the Company and/or its Subsidiaries on the Agreement Date, including the sale of cannabis.

"**Business Assets**" has the meaning set forth in **Section 3.7(a).**

"**Business Day**" means any day except Saturday, Sunday or any other day on which commercial banks located in New York, New York are authorized or required by Law to be closed for business.

"**Business IP**" shall mean the Owned IP and all other Intellectual Property used by the Company and its Subsidiaries, including Licensed Intellectual Property.

"**Cap**" has the meaning set forth in **Section 8.4(a).**

"**CARES Act**" means the Coronavirus Aid, Relief, and Economic Security Act (P.L. 116-136).

"**Change in Control Payment**" means any new or increased commission, severance, bonus, increased vesting or benefit accruals, or other similar payment payable by the Company or any of the Subsidiaries to management or other Employees that is triggered (in whole or in part) solely as a result of the consummation of the transaction contemplated hereunder, in each case plus the employer's portion of any applicable employment or payroll Taxes with respect to such amount and regardless of whether such commission, obligation, severance, bonus or other payment is due, paid or payable prior to, on or after the Initial Closing; provided that, in each case, a Change in Control Payment shall not include any commission, severance, bonus, increased vesting, benefit accrual or other similar payment triggered as a result of the voluntary termination of an Employee by the Company or Investor at any time prior to, on or after the Initial Closing.

"**Change Notice**" has the meaning set forth in **Section 2.4(a)(ii).**

"**Closing**" has the meaning set forth in **Section 2.2(b).**

"**Closing Cash Payment**" has the meaning set forth in **Section 2.3(b)(ii)**.

"**Closing Note**" has the meaning set forth in **Section 2.3(b)(iii)**.

"**COBRA**" has the meaning set forth in **Section 3.13(c)**.

"**Code**" means the Internal Revenue Code of 1986, as amended.

"**Company**" has the meaning set forth in the preamble.

"**Company Debt**" means with respect to the Company and the Subsidiaries, at the time of determination and without duplication (i) all obligations for borrowed money or extensions of credit outstanding as of the Agreement Date (including all sums due on early termination and repayment or redemption calculated to the Initial Closing and any advances), (ii) all obligations evidenced by bonds, debentures, notes or other similar instruments as of the Agreement Date (including all sums due on early termination and repayment or redemption calculated to the Initial Closing), (iii) all obligations to pay the deferred purchase price of property or services, except trade accounts payable arising in the Ordinary Course of Business, (iv) all obligations as lessee capitalized in accordance with GAAP, (v) all obligations, contingent or otherwise, directly or indirectly guaranteeing any obligations of any other Person, (vi) all obligations to reimburse the issuer in respect of letters of credit or under performance of surety bonds, or other similar obligations, (vii) all obligations in respect of bankers' acceptances and under reverse purchase agreements, (viii) all obligations in respect of futures contracts, swaps and other derivative financial instruments (determined on a net basis as if such contract or obligation was being terminated early on such date), (ix) all direct or indirect guarantee obligations in respect of obligations of the kind referred to in clauses (i) through (viii) above, and (x) all obligations of the kind referred to in clauses (i) through (ix) above secured by (or for which the holder of such obligation has an existing right, contingent or otherwise, to be secured by) any Lien on property (including accounts and Contract rights) owned by the Company or any of the Subsidiaries, whether or not the Company or such Subsidiary has assumed or become liable for the payment of such obligation. Notwithstanding the foregoing, "Company Debt" shall not include any obligations incurred by or at the direction of Investor (or its Affiliates) on behalf of the Company pursuant to the Management Agreement or otherwise, but shall include any Company Debt obligations incurred by the Company Parent on behalf of the Company in violation of this Agreement or the Management Agreement (as applicable) during the period between the Agreement Date and the Initial Closing.

"**Company Debt Payoff Amount**" has the meaning set forth in **Section 2.4(b)(ii)**.

"**Company Disclosure Schedules**" has the meaning set forth in **ARTICLE III.**

"**Company Owner**" means Project Compassion NY, LLC, a Delaware limited liability company.

"**Company Parent**" has the meaning set forth in the recitals.

"**Company Parent Indemnitees**" has the meaning set forth in **Section 8.3.**

"**Company Parent Intellectual Property**" means any right, title or interest in, including any license for the use of, any Intellectual Property of Company Parent, which for clarity, shall include without limitation any right title and interest in and to the names "MM Enterprises USA, LLC," "MedMen," "Luxlyte," "Statemade," "MMRed" and any derivative thereof.

"**Company Party**" has the meaning set forth in **ARTICLE III.**

"**Company Permits**" has the meaning set forth in **Section 3.14(b).**

"**Contingent Workers**" has the meaning set forth in **Section 3.12(a).**

"**Contracts**" means all legally binding contracts, leases, deeds, mortgages, licenses, instruments, notes, commitments, undertakings, indentures, joint ventures and all other agreements.

"**Current Assets**" means the total assets of the Company, as determined in accordance with GAAP.

"**Current Liabilities**" means the total liabilities of the Company, as determined in accordance with GAAP.

"**Deductible**" has the meaning set forth in **Section 8.4(a)**.

"**Deposit**" means the cash payment of $[***] paid by Investor to the Company in accordance with the Non-Binding Proposal between Investor and MM Enterprises USA, LLC dated December 2, 2020.

"**Direct Claim**" has the meaning set forth in **Section 8.5(c)**.

"**Disclosure Schedules**" means the Company Disclosure Schedules and the Investor Disclosure Schedules, each delivered concurrently with the execution and delivery of this Agreement.

"**Disqualification Event**" means a "bad actor" disqualifying event described in Rule 506(d)(1)(i)-(viii) promulgated under the Securities Act.

"**Dollars or $**" means the lawful currency of the United States.

"**Employee**" means any current, former, or retired employee, officer, manager, or director of the Company or any of its Subsidiaries.

"**Employee Benefit Plan**" has the meaning set forth in **Section 3.13(a).**

"**Encumbrance**" means any charge, claim, community property interest, pledge, condition, equitable interest, lien (statutory or other), option, security interest, mortgage, easement, encroachment, right of way, right of first refusal, or restriction of any kind, including any restriction on use, voting, transfer, receipt of income or exercise of any other attribute of ownership.

"**Environmental Law**" means any applicable Law, and any Governmental Order or binding agreement with any Governmental Authority: (a) relating to pollution (or the cleanup

thereof) or the protection of natural resources, endangered or threatened species, human health or safety, or the environment (including ambient air, soil, surface water or groundwater, or subsurface strata); or (b) concerning the presence of, exposure to, or the management, manufacture, use, containment, storage, recycling, reclamation, reuse, treatment, generation, discharge, transportation, processing, production, disposal or remediation of any Hazardous Materials. The term "**Environmental Law**" includes, without limitation, the following (including their implementing regulations and any state analogs): the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended by the Superfund Amendments and Reauthorization Act of 1986, 42 U.S.C. §§ 9601 et seq.; the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act of 1976, as amended by the Hazardous and Solid Waste Amendments of 1984, 42 U.S.C. §§ 6901 et seq.; the Federal Water Pollution Control Act of 1972, as amended by the Clean Water Act of 1977, 33 U.S.C. §§ 1251 et seq.; the Toxic Substances Control Act of 1976, as amended, 15 U.S.C. §§ 2601 et seq.; the Emergency Planning and Community Right-to-Know Act of 1986, 42 U.S.C. §§ 11001 et seq.; the Clean Air Act of 1966, as amended by the Clean Air Act Amendments of 1990, 42 U.S.C. §§ 7401 et seq.; and the Occupational Safety and Health Act of 1970, as amended, 29 U.S.C. §§ 651 et seq.

"**Environmental Liabilities**" means all Liabilities arising from environmental, health or safety conditions or a Release or threat of Release resulting from the Company, or any Release for which the Company is otherwise responsible under any Environmental Law.

"**Environmental Lien**" means any Lien in favor of any Governmental Authority for Environmental Liabilities.

"**Environmental Permit**" means any Permit, letter, clearance, consent, waiver, closure, exemption, decision or other action required under or issued, granted, given, authorized by or made pursuant to Environmental Law.

"**Equity Equivalents**" means with respect to any Person, (i) any capital stock, membership interests or other share capital, equity or ownership interest or voting security, (ii) any securities (including debt securities) directly or indirectly convertible into or exchangeable or exercisable for any capital stock, membership interests or other share capital, equity or ownership interest or voting security, or containing any profit participation features, (iii) any rights, warrants or options directly or indirectly to subscribe for or to purchase any capital stock, membership interests, other share capital, equity or ownership interest or voting security, or securities containing any profit participation features, or to subscribe for or to purchase any securities (including debt securities) convertible into or exchangeable or exercisable for any capital stock, membership interests, other share capital, equity or ownership interest or voting security or securities containing any profit participation features, (iv) any share appreciation rights, phantom share rights, other rights the value of which is linked to the value of any securities or interests referred to in clauses (i) through (iii) above or other similar rights or (v) any securities (including debt securities) issued or issuable with respect to the securities or interests referred to in clauses (i) through (iv) above in connection with a combination of shares, recapitalization, merger, consolidation or other reorganization.

"**ERISA**" means the Employee Retirement Income Security Act of 1974, as amended, and the regulations promulgated thereunder.

"**ERISA Affiliate**" has the meaning set forth in **Section 3.13(c)**.

"**Excess Operating Costs**" means the amount by which the Net Interim Period Operating Costs exceeds the Maximum Interim Period Operating Costs. For the avoidance of doubt, if the Net Interim Period Operating Costs are less than or equal to the Maximum Interim Period Operating Costs, the Excess Operating Costs shall equal zero (0).

"**Existing Shares**" means 400 shares of Common Stock of the Company owned by Company Owner, which represents all of the issued and outstanding equity of the Company immediately prior to the Initial Closing.

"**Federal Cannabis Laws**" means United States federal Laws relating to the manufacture, use, possession, cultivation, and distribution of cannabis, its cannabinoids, and cannabimimetic agents (including, without limitation, the Controlled Substances Act).

"**Financial Statements**" has the meaning set forth in **Section 3.4(a)**.

"**Fundamental Representations**" has the meaning set forth in **Section 8.1**.

"**GAAP**" means generally accepted accounting principles in the United States in effect from time to time.

"**Government Contract**" means any Contract between the Company and (a) any Governmental Authority, (b) any prime contractor to a Governmental Authority (in its capacity as such), or (c) any subcontractor (of any tier) in connection with or with respect to any Contract described in clause (a) or (b), and any modification of any of the foregoing.

"**Governmental Authority**" means any federal, state, local or foreign government or political subdivision thereof, or any agency or instrumentality of such government or political subdivision, or any self-regulated organization or other non-governmental regulatory authority or quasi-governmental authority (to the extent that the rules, regulations or orders of such organization or authority have the force of Law), or any arbitrator, court or tribunal of competent jurisdiction.

"**Governmental Order**" means any order, writ, judgment, injunction, decree, stipulation, determination or award entered by or with any Governmental Authority.

"**Hazardous Materials**" means: (a) any material, substance, chemical, waste, product, derivative, compound, mixture, solid, liquid, mineral or gas, in each case, whether naturally occurring or manmade, that is hazardous, acutely hazardous, toxic, or words of similar import or regulatory effect under Environmental Laws; and (b) any petroleum or petroleum-derived products, radon, radioactive materials or wastes, asbestos in any form, lead or lead-containing materials, urea formaldehyde foam insulation, and polychlorinated biphenyls.

"**Indemnified Party**" has the meaning set forth in **Section 8.5**.

"**Indemnifying Party**" has the meaning set forth in **Section 8.5**.

"**Independent Accountant**" shall mean a nationally recognized accounting firm mutually appointed by Investor and Company Parent, that has no prior business relationship with Investor, Company Parent or their respective Affiliates, provided, if Investor and Company Parent are unable to agree upon an Independent Accountant within ten (10) days of such need for appointment, each of Investor and Company Parent shall select a nationally recognized accounting firm that shall mutually appoint a third nationally recognized accounting firm to serve as the Independent Accountant, which accounting firm shall have no prior business relationship with Investor, Company Parent or their respective Affiliates.

"**Initial Shares Purchase Price**" has the meaning set forth in **Section 2.3(a)**.

"**Insurance Policy**" has the meaning set forth in **Section 3.18**.

"**Intellectual Property**" means all intellectual property rights and assets, and all rights, interests and protections that are associated with, similar to, or required for the exercise of, any of the foregoing, however arising, pursuant to the Laws of any jurisdiction throughout the world, whether registered or unregistered, including any and all: (a) trademarks, service marks, trade names, brand names, logos, trade dress, design rights and other similar designations of source, sponsorship, association or origin, together with the goodwill connected with the use of and symbolized by, and all registrations, applications and renewals for, any of the foregoing; (b) internet domain names, whether or not registered in any top-level domain by any authorized private registrar or Governmental Authority, web addresses, web pages, websites and related content, accounts with Twitter, Facebook and other social media companies and the content found thereon and related thereto, and URLs; (c) works of authorship, expressions, designs and design registrations, whether or not copyrightable, including copyrights, author, performer, moral and neighboring rights, and all registrations, applications for registration and renewals of such copyrights; (d) inventions, discoveries, trade secrets, business and technical information and know-how, databases, data collections and other confidential and proprietary information and all rights therein; (e) patents (including all reissues, divisionals, provisionals, continuations and continuations-in-part, re-examinations, renewals, substitutions and extensions thereof), patent applications, and other patent rights and any other Governmental Authority-issued indicia of invention ownership (including inventor's certificates, petty patents and patent utility models); and (f) software and firmware, including data files, source code, object code, application programming interfaces, architecture, files, records, schematics, computerized databases and other related specifications and documentation.

"**Interim Period**" means the period beginning on the Agreement Date and ending on the MSA Effective Date.

"**Investor**" has the meaning set forth in the preamble.

"**Investor Disclosure Schedules**" has the meaning set forth in **ARTICLE IV.**

"**Investor Indemnitees**" has the meaning set forth in **Section 8.2**.

"**Investor Parent**" has the meaning set forth in the preamble.

"**IP Licenses**" has the meaning set forth in **Section 3.9(a)(ix)**.

"**IT Assets**" shall mean all websites, software and applications (on premises or cloud-based), databases, systems (telecommunications and otherwise), servers, computers, hardware, firmware, middleware, networks, data communications lines, routers, hubs, switches and all other information technology equipment, and all associated documentation.

"**Knowledge of the Company**" or any other similar knowledge qualification, means the actual knowledge of [***] after reasonable investigation.

"**Law**" means any statute, law, ordinance, regulation, rule, code, order, constitution, treaty, common law, judgment, decree, other requirement or rule of law of any Governmental Authority.

"**Leased Real Property**" has the meaning set forth in **Section 3.15(d)**.

"**Liabilities**" means any liabilities of any nature, whether accrued, absolute, contingent or otherwise (including, liabilities as guarantor or otherwise with respect to obligations of others, liabilities for Taxes due or then accrued or to become due, and contingent liabilities relating to activities of the Company or any of the Subsidiaries or the conduct of the Business, regardless of whether claims in respect thereof have been asserted).

"**Licensed Intellectual Property**" means all Intellectual Property that any third party owns and that the Company or its Subsidiaries use or have the right to use pursuant to a license or sublicense.

"**Licensed Providers**" has the meaning set forth in **Section 3.14(d)**.

"**Lien**" means any lien, charge, security interest, condition, restriction, mortgage, pledge, community property interest, right of first refusal, option, easement, reservation, tenancy, assignment, right of preemption or any other encumbrance whatsoever.

"**Losses**" means losses, damages, liabilities, deficiencies, Actions, judgments, interest, awards, penalties, fines, costs or expenses of whatever kind, including reasonable attorneys' fees and the cost of enforcing any right to indemnification hereunder and the cost of pursuing any insurance providers; provided, however, that "Losses" shall not include consequential, incidental or punitive damages, except in the case when actually awarded as the result of intentional misconduct, gross negligence, fraud of an Indemnifying Party or to the extent actually awarded to a Governmental Authority.

"**Management Agreement**" means the Management and Administrative Services Agreement to be entered into between Investor and the Company substantially in the form attached hereto as Exhibit A.

"**Material Adverse Effect**" means any event, occurrence, fact, condition or change that is, or would reasonably be expected to become, individually or in the aggregate, materially adverse to (a) the business, results of operations, condition (financial or otherwise), prospects or assets of the Company, taken as a whole or (b) the ability of the parties to consummate the transactions contemplated hereby; *provided*, *however*, that "**Material Adverse Effect**" shall not include any event, occurrence, fact, condition or change, directly or indirectly, arising out of or

attributable to: (i) general economic, health or political conditions; (ii) conditions generally affecting the industries in which the Company operates; (iii) any changes in financial or securities markets in general; (iv) pandemics, acts of war (whether or not declared), armed hostilities or terrorism, or the escalation or worsening thereof; (v) any changes in applicable Laws or accounting rules, including GAAP; or (vi) the public announcement, pendency or completion of the transactions contemplated by this Agreement, except in the case of clause (i), (ii) or (iii), to the extent that such change, event or effect disproportionately affects the Company and/or Business relative to other businesses in the same industry. For the avoidance of doubt, any change in State and Local Cannabis Laws that may have an adverse effect on the Business (such as an expansion of the New York cannabis program) but that does not prohibit the operation of the Business entirely, shall not, in and of itself, be deemed a Material Adverse Effect hereunder.

"**Material Contracts**" has the meaning set forth in **Section 3.9(b)**.

"**Material Vendor**" has the meaning set forth in **Section 3.21**.

"**Maximum Interim Period Operating Costs**" means (i) $[***] multiplied by (ii) the number of days of the Interim Period.

"**Milestone Closing**" has the meaning set forth in **Section 2.2(b)**.

"**Milestone Event**" means the first sale by the Company of adult use marijuana products at one or more of its retail store locations.

"**Milestone Shares Purchase Price**" has the meaning set forth in **Section 2.1(c)**.

"**MSA Effective Date**" means the effective date of the Management Agreement.

"**Net Interim Period Operating Costs**" means the amount by which the aggregate Operating Costs of the Business during the Interim Period exceed the aggregate revenue of the Company during the Interim Period (calculated in accordance with GAAP). For the avoidance of doubt, if the aggregate Operating Costs of the Company are less than or equal to the aggregate revenue of the Company during the Interim Period, the Net Interim Period Operating Costs shall equal zero (0).

"**Net Working Capital**" means the Current Assets of the Company less the Current Liabilities of the Company, determined as of the close of business on the Agreement Date.

"**Net Working Capital Deficiency**" means the amount by which the Net Working Capital is less than the Net Working Capital Target.

"**Net Working Capital Surplus**" means the amount by which the Net Working Capital is greater than the Net Working Capital Target.

"**Net Working Capital Target**" means $0.00.

"**Off-the-Shelf Software Licenses**" has the meaning set forth in **Section 3.9(a)(ix)**.

"**Operating Costs**" means (i) cost of goods sold (COGS) plus (ii) selling, general and administrative expense (SG&A) plus (iii) Taxes owed with respect to Real Property minus (iv) depreciation and amortization (D&A), in each case calculated in accordance with GAAP.

"**Opt-Out Notifications**" has the meaning set forth in **Section 3.24(g)**.

"**Order**" means any consent, decree, injunction, judgment, order, ruling, assessment or writ of any Governmental Authority or arbitration tribunal (in each case, whether final or preliminary).

"**Ordinary Course of Business**" means the ordinary course of the Company's and its Subsidiaries' business taken as a whole and consistent with past practice.

"**Owned IP**" means the Intellectual Property owned or purported to be owned by the Company or its Subsidiaries, which expressly excludes all Company Parent Intellectual Property.

"**Per Share Purchase Price**" has the meaning set forth in **Section 2.1(d)**.

"**Permits**" means all permits, licenses, franchises, approvals, authorizations, registrations, certificates, variances and similar rights obtained, or required to be obtained, from Governmental Authorities.

"**Permitted Liens**" means (a) all purchase money Liens on equipment or inventory; (b) statutory Liens of landlords and Liens of carriers, warehousemen, bailees, mechanics, materialmen and other like liens imposed by Law, created in the Ordinary Course of Business and securing amounts not yet due or paid in the Ordinary Course of Business (or which are being contested in good faith, by appropriate proceedings or other appropriate actions which are sufficient to prevent imminent foreclosure of such Liens); (c) deposits made (and the Liens thereon) in the Ordinary Course of Business of the Company (including security deposits for leases, indemnity bonds, surety bonds and appeal bonds) in connection with workers' compensation, unemployment insurance and other types of social security benefits or to secure the performance of tenders, bids, contracts (other than for the repayment or guarantee of borrowed money or purchase money obligations), statutory obligations and other similar obligations arising as a result of progress payments under government contracts; (d) easements (including reciprocal easement agreements and utility agreements), encroachments, rights of way or minor defects or irregularities in title (whether or not recorded), if applicable, and which, individually or in the aggregate, do not materially interfere with the operation by the Company or the Business or with the occupation and enjoyment of the Real Property so encumbered; (e) Liens for Taxes not yet due and payable and liens for Taxes that the Company or Company Parent are contesting, in good faith, by appropriate proceedings which are sufficient to prevent imminent foreclosure of such Liens, and with respect to which adequate reserves are being maintained by the Company Parent or the Company, as applicable; (f) Liens created by the Company Debt to Senior Lender; and (g) Liens created by the Closing Note.

"**Person**" means an individual, corporation, partnership, joint venture, limited liability company, Governmental Authority, unincorporated organization, trust, association or other entity.

"**Personal Information**" means all data that (i) identifies an individual or, in combination with any other information or data available to the Company or any of its Subsidiaries, is capable of identifying an individual or (ii) the collection, retention, disclosure, processing, storage, or transfer of which is regulated by any applicable Law.

"**Post-Agreement Tax Period**" means any taxable period beginning after the Agreement Date and, with respect to any taxable period beginning before and ending after the Agreement Date, the portion of such taxable period beginning after the Agreement Date.

"**PPACA**" has the meaning set forth in **Section 3.13(c)**.

"**Pre-Agreement Tax Period**" means any taxable period ending on or before the Agreement Date and, with respect to any taxable period beginning before and ending after the Agreement Date, the portion of such taxable period ending on and including the Agreement Date.

"**Pre-Agreement Taxes**" means Taxes of the Company for any Pre-Agreement Tax Period.

"**Pre-Closing Tax Period**" means any taxable period ending on or before the Initial Closing Date and, with respect to any taxable period beginning before and ending after the Initial Closing Date, the portion of such taxable period ending on and including the Initial Closing Date.

"**Privacy and Security Laws**" has the meaning set forth in **Section 3.24(a)**.

"**Real Property**" has the meaning set forth in **Section 3.15(f)**.

"**Real Property Leases**" has the meaning set forth in **Section 3.15(d)**.

"**Recent Balance Sheet**" has the meaning set forth in **Section 3.4(a)**.

"**Recent Balance Sheet Date**" has the meaning set forth in **Section 3.4(a)**.

"**Registered Owned IP**" has the meaning set forth in **Section 3.10(a)**.

"**Release**" means any release, spilling, leaking, pumping, pouring, emitting, emptying, discharging, injecting, escaping, leaching, dumping, abandonment, disposing or allowing to escape or migrate into or through the environment (including, without limitation, ambient air (indoor or outdoor), surface water, groundwater, land surface or subsurface strata or within any building, structure, facility or fixture).

"**Remedial Action**" means any action or proceeding to (i) contain, clean-up, remove, treat or remediate any Hazardous Materials, (ii) correct or prevent an environmental Action resulting from the prior treatment, storage or disposal of Hazardous Materials or to recover the cost of either by a Governmental Authority or third party, (iii) remove any fill or implement any remediation, restoration or mitigation that may be required in connection with any dredging, filling or disturbance activities in any wetland or wetlands, as those terms are defined under applicable Law, (iv) perform post-remedial monitoring and care, and (v) respond to any request by any Governmental Authority for information relating to containment, clean-up, removal, treatment or remediation of Hazardous Materials.

"**Representative**" means, with respect to any Person, any and all directors, officers, employees, consultants, financial advisors, counsel, accountants and other agents of such Person.

"**Restricted Period**" has the meaning set forth in **Section 5.7(a)**.

"**Review Period**" has the meaning set forth in **Section 2.4(a)(ii)**.

"**Rule 506(d) Related Parties**" means, with respect to any Person, any other Person that is a beneficial owner of such first Person's securities for purposes of Rule 506(d) under the Securities Act.

"**Securities Act**" means the Securities Act of 1933, as amended, and the rules and regulations promulgated thereunder.

"**Senior Lender**" has the meaning set forth in **Section 2.3(b)(i)**.

"**Shares**" has the meaning set forth in **Section 2.1(c)**.

"**Signing Balance Sheet**" means an unaudited balance sheet of the Company as of the close of business on the Agreement Date and prepared in accordance with GAAP consistent with past practices (except for the absence of footnotes).

"**Signing Working Capital Statement**" has the meaning set forth in **Section 2.4(a)(i)**.

"**State and Local Cannabis Laws**" means Laws regarding the cultivation, manufacture, possession, use, sale or distribution of cannabis or cannabis products promulgated by state and local Governmental Authorities in the states and municipalities in which the Company or any of its Subsidiaries operate or any of its Subsidiaries is organized or domiciled, including without limitation, the State of New York.

"**Straddle Period**" has the meaning set forth in **Section 6.4**.

"**Subsidiaries**" has the meaning set forth in **Section 3.2(b)**.

"**Tax Claim**" has the meaning set forth in **Section 6.5**.

"**Tax Representations**" has the meaning set forth in **Section 8.1**.

"**Tax Return**" means any return, declaration, report, claim for refund, information return or statement or other document relating to Taxes, including any schedule or attachment thereto, and including any amendment thereof.

"**Taxes**" means all federal, state, local, foreign and other income, gross receipts, sales, use, production, ad valorem, transfer, franchise, registration, profits, license, lease, service, service use, withholding, payroll, employment, unemployment, estimated, excise, severance, environmental, stamp, occupation, premium, property (real or personal), real property gains, windfall profits, customs, duties or other taxes, fees, assessments or charges of any kind whatsoever, together with any interest, additions or penalties with respect thereto and any interest in respect of such additions or penalties.

"**Taxing Authority**" means any Governmental Authority responsible for the administration, imposition or collection of any Tax.

"**Third Party Claim**" has the meaning set forth in **Section 8.5(a)**.

"**Transaction Documents**" means this Agreement, the Closing Note, the Management Agreement and each of the agreements and instruments delivered in connection with the foregoing agreements.

"**Transaction Expenses**" means, without duplication, all costs, fees and expenses incurred or owed to a third party by any Company Party in connection with the transactions contemplated hereby, including all fees, costs and expenses incurred in connection with the negotiation, preparation and review of this Agreement (including any investment banking fees, fees of accountants, attorneys and other advisors). For the avoidance of doubt, any fees and expenses that are contingent upon the consummation of the Initial Closing shall be deemed to have been accrued immediately prior to the Initial Closing for purposes of this definition.

"**Treasury Regulations**" means regulations issued by the U.S. Department of the Treasury under the Code.

"**Union**" has the meaning set forth in **Section 3.12(c)**.

"**Working Capital Advance**" has the meaning set forth in **Section 5.10**.

ARTICLE II.
PURCHASE AND SALE OF SHARES

Section 2.1. Purchase and Sale.

(a) On or before the Initial Closing (as defined below), the Company shall have adopted and filed with the Secretary of State of the State of New York the Certificate of Amendment to the Company's Certificate of Incorporation in the form of Exhibit B attached to this Agreement (the "**Charter Amendment**").

(b) Subject to the terms and conditions set forth herein, at the Initial Closing (as defined below), the Company shall issue and sell to Investor, and Investor shall purchase from the Company, free and clear of all Encumbrances, 2,608 shares (the "**Initial Shares**") of common stock of the Company, no par value per share (the "**Common Stock**"), for the consideration specified in **Section 2.3**, as finally determined in accordance with **Section 2.4**.

(c) Subject to the achievement of the Milestone Event and the other terms and conditions set forth herein, the Company shall issue and sell to Investor, and Investor shall purchase from the Company, free and clear of all Encumbrances, a number of shares of Common Stock equal to $10,000,000 (the "**Milestone Shares Purchase Price**") *divided by* the Per Share Purchase Price (the "**Milestone Shares**"). The shares of Common Stock issued to Investor pursuant to this Agreement (including the Initial Shares and the Milestone Shares) shall be referred to in this Agreement as the "**Shares**."

(d) The "**Per Share Purchase Price**" shall equal the Initial Shares Purchase Price, as finally determined in accordance with **Section 2.4**, *divided by* the number of Initial Shares.

Section 2.2. Closings.

(a) The purchase and sale of the Initial Shares shall take place at a closing (the "**Initial Closing**") to be held at 10:00 a.m., Eastern time, no later than five (5) Business Days after the last of the Conditions to Closing set forth in **ARTICLE VII** have been satisfied or waived (other than conditions which, by their nature, are to be satisfied on the Initial Closing Date), remotely via the exchange of documents and signatures, or at such other time or on such other date or at such other place or in such other manner as the Company and Investor may mutually agree upon in writing (the day on which the Initial Closing takes place being the "**Initial Closing Date**").

(b) The purchase and sale of the Milestone Shares shall take place at a closing (the "**Milestone Closing**") to be held at 10:00 a.m., Eastern time, no later than five (5) Business Days following the achievement of the Milestone Event, remotely via the exchange of documents and signatures, or at such other time or on such other date or at such other place or in such other manner as the Company and Investor may mutually agree upon in writing. Notwithstanding the foregoing or anything to the contrary contained in this Agreement, if the Milestone Event occurs prior to the Initial Closing, Investor shall purchase the Milestone Shares at the Initial Closing. In the event there is more than one closing, the term "**Closing**" shall apply to each such closing unless otherwise specified.

Section 2.3. Purchase Price.

(a) The aggregate purchase price for the Initial Shares shall be equal to (i) the Adjusted Cash Purchase Price, as finally determined in accordance with **Section 2.4** below, plus (ii) the Closing Note Principal Balance (as defined below), plus (iii) the balance of the Working Capital Advance as of the Initial Closing (the "**Initial Shares Purchase Price**").

(b) The Initial Shares Purchase Price shall be payable as follows:

(i) Prior to the date hereof, Investor or Investor Parent has paid to the Company the Deposit. If not paid previously, at the Initial Closing, the Company shall pay the Deposit to [***] (the "**Senior Lender**") in partial satisfaction of the Company Debt owed to the Senior Lender.

(ii) At the Initial Closing, Investor or Investor Parent shall pay to the Senior Lender, on behalf of the Company in partial satisfaction of the Company Debt owed to the Senior Lender, by wire transfer of immediately available funds, a cash payment (the "**Closing Cash Payment**") equal to the Adjusted Cash Purchase Price *minus* the Deposit pursuant to instructions provided by the Senior Lender.

(iii) At the Initial Closing, Investor shall issue a Senior Secured Promissory Note (the "**Closing Note**"), with a principal amount of $28,000,000 (the "**Closing Note Principal Balance**") and guaranteed by Investor Parent, to the Company, which Closing

Note shall be assigned by the Company to the Senior Lender in partial satisfaction of the Company Debt owed to the Senior Lender.

(iv) At the Initial Closing, the Working Capital Advance shall be converted into shares of Common Stock and all obligations of the Company thereunder shall be deemed extinguished and satisfied in full.

(c) The aggregate purchase price for the Milestone Shares shall be equal to the Milestone Share Purchase Price. At the Milestone Closing, Investor or Investor Parent shall pay the Milestone Share Purchase Price to the Senior Lender, on behalf of the Company in partial satisfaction of the Company Debt owed to the Senior Lender, by wire transfer of immediately available funds, a cash payment equal to the Milestone Share Purchase Price pursuant to instructions provided by the Senior Lender.

Section 2.4. Closing Cash Payment Adjustment.

(a) **Calculation of Net Working Capital Adjustment**.

(i) Calculation. Within thirty (30) days after the Agreement Date, the Company shall deliver to Investor the Signing Balance Sheet, together with a statement (the "**Signing Working Capital Statement**") of the Net Working Capital of the Company and the Net Working Capital Deficiency (if any) or the Net Working Capital Surplus (if any), which Signing Working Capital Statement shall be prepared in accordance with the definition of Net Working Capital, without giving effect to the consummation of the transaction contemplated hereunder and subject to the adjustments specified in the definition of Net Working Capital.

(ii) Examination and Review. After receipt of the Signing Working Capital Statement, Investor shall have sixty (60) days (the "**Review Period**") to review the Signing Working Capital Statement. During the Review Period, the Company Parties will make available at Investor's reasonable request all records and work papers of the Company Parties used in preparing the Signing Working Capital Statement. If Investor disagrees with any of the amounts set forth in the Signing Working Capital Statement, Investor may provide a written notice of proposed changes to any such calculation specifying in reasonable detail all disputed items and the basis therefor (a "**Change Notice**") to Company Parent prior to the end of the Review Period (and in the event no Change Notice is provided during such period, Investor will be deemed to have agreed to and accepted the Signing Working Capital Statement). The Company Parties shall reasonably promptly cooperate with Investor in providing such information as Investor reasonably requests in connection with the review of the Signing Working Capital Statement. If Investor provides a Change Notice to Company Parent within the Review Period, the Signing Working Capital Statement and the components thereof included in the Change Notice shall be finally determined in accordance with the resolution of dispute procedures set forth in **Section 2.4(a)(iii)**. If no Change Notice is provided by Investor prior to the expiration of the Review Period, the Signing Working Capital Statement shall be binding on the parties in all respects.

(iii) Resolution of Disputes. Investor and Company Parent will attempt in good faith promptly to resolve any differences with respect to the Signing Working Capital

Statement that are raised within the Review Period and set forth in the Change Notice. If Investor and Company Parent resolve their disagreement, they shall set forth the agreement in a written document executed by Investor and Company Parent and such written document shall be deemed final and binding for all purposes of this Agreement. If they are unable to resolve any differences within thirty (30) days after timely delivery of an applicable Change Notice, such remaining differences will be submitted to an Independent Accountant for prompt determination. The Independent Accountant will determine those matters in dispute and will render a written report as to the disputed matters within sixty (60) days of submission, which report shall be conclusive and binding upon the parties. The fees and expenses of the Independent Accountant shall initially be borne fifty percent (50%) by Company Parent and fifty percent (50%) by Investor; provided that upon resolution of the dispute by the Independent Accountant, the prevailing party, if any, shall be entitled to be reimbursed in proportion to the amount by which the other party's determinations of the items in dispute differed from the amount determined by the Independent Accountant. Such amount shall be determined by the Independent Accountant.

(b) **Allocation Certificate.** At least three (3) Business Days prior to the Initial Closing Date, the Company shall deliver to Investor a certificate (the "**Allocation Certificate**") signed by the Chief Financial Officer of the Company, setting forth and certifying on behalf of the Company the following:

(i) the Net Working Capital Surplus or the Net Working Capital Deficiency, as finally determined in accordance with **Section 2.4(a)**;

(ii) (other than the Company Debt owed to the Senior Lender, all other Company Debt not paid as of immediately prior to the Initial Closing, including a description and amount for each element thereof, together with payoff letters, in form and substance satisfactory to Investor, indicating the amount necessary to discharge in full such Company Debt at the Initial Closing (the "**Company Debt Payoff Amount**") and, if such Company Debt is secured, an undertaking by such holder to discharge at the Initial Closing any Liens securing such Company Debt;

(iii) the aggregate amount of all Change in Control Payments, if any, together with a description and the amount of each element thereof;

(iv) the aggregate amount of all Transaction Expenses, together with a description and the amount of each element thereof;

(v) the aggregate amount of the Excess Operating Costs, if any;

(vi) the Adjusted Cash Purchase Price; and

(vii) the resulting Closing Cash Payment.

The Company shall give Investor timely access to all supporting records and work papers used in preparation of the Allocation Certificate, which, when in form and substance satisfactory to and approved by Investor, shall be used for purposes of the payments to be made at the Initial Closing**.**

(viii) The Company, Investor, and Company Parent agree to treat any adjustment to the Adjusted Cash Purchase Price pursuant to this **Section 2.4**, if any, as an adjustment to the Initial Shares Purchase Price for all Tax purposes and shall take no position contrary thereto unless required to do so by applicable Tax Law pursuant to a determination as defined in Section 1313(a) of the Code.

Section 2.5. Transactions to be Effected at the Initial Closing.

(a) At the Initial Closing, Investor or Investor Parent shall deliver:

(i) the Closing Cash Payment and the Closing Note to the Senior Lender in accordance with the provisions of **Section 2.3** of this Agreement; and

(ii) the Transaction Documents to which it is a party and all other agreements, documents, instruments or certificates required to be delivered by Investor at or prior to the Initial Closing pursuant to **Section 7.3** of this Agreement.

(b) At the Initial Closing, the Company shall:

(i) Issue a stock certificate evidencing the Initial Shares in the name of Investor and deliver such stock certificate to Senior Lender to be held as collateral to secure the Closing Note; and

(ii) If not previously paid, the Deposit to the Senior Lender;

(iii) the Transaction Documents to Investor and all other agreements, documents, instruments or certificates required to be delivered by the Company or Company Parent at or prior to the Initial Closing pursuant to **Section 7.2** of this Agreement.

(c) At the Milestone Closing:

(i) Investor or Investor Parent shall deliver the Milestone Shares Purchase Price to Senior Lender; and

(ii) the Company shall issue a stock certificate evidencing the Milestone Shares in the name of Investor and deliver such stock certificate to Senior Lender to be held as collateral to secure the Closing Note.

ARTICLE III.
REPRESENTATIONS AND WARRANTIES REGARDING THE COMPANY

Company Parent and the Company (each, a "**Company Party**" and collectively, the "**Company Parties**") hereby makes to Investor the representations and warranties regarding the Company and each of the Company's Subsidiaries contained in this **ARTICLE III** as of the Agreement Date and as of the MSA Effective Date, and, with respect to the representations and warranties contained **Section 3.1**, **Section 3.2**, **Section 3.3** and **Section 3.19** only, as of the Initial Closing Date, subject to the exceptions and qualifications disclosed by the Company in the written schedules provided to Investor, dated as of the Agreement Date (the "**Company Disclosure Schedules**"). The term "Company" as used throughout this **ARTICLE III** shall be deemed to refer to each of the Company and each of its Subsidiaries, except the term "Company"

in **Section 3.2,** shall mean the Company and not its Subsidiaries. The Company Disclosure Schedules shall be arranged in sections and subsections corresponding to the numbered and lettered sections and subsections contained in this **ARTICLE III**. Notwithstanding the foregoing, any event or condition specifically disclosed in reasonable detail in any section or subsection of the Company Disclosure Schedules shall be deemed disclosed and incorporated into any other section or subsection of the Company Disclosure Schedules with the same degree of specification for purposes of this **ARTICLE III** if the applicability of such disclosure to any other applicable representation, warranty or covenant would be reasonably apparent to a Person reviewing the Company Disclosure Schedules, regardless of whether an explicit reference to such other representation, warranty or covenant is made.

Section 3.1. Organization; Good Standing; Power.

(a) The Company is duly organized, validly existing and in good standing under the Laws of the jurisdiction of its formation or organization and is licensed or qualified to conduct its business and is in good standing in each jurisdiction where such licensing or qualification is material to the business it is conducting or the operation, ownership or leasing of its properties (which such jurisdictions are set forth on **Section 3.1(a)** of the Disclosure Schedules [Omitted pursuant to Item 601(a)(5) of Regulation S-K]). The Company possesses full power and authority necessary to own and operate its properties and assets and to carry on its businesses as presently conducted and as contemplated to be conducted immediately after the Closing.

(b) The Company has made available true, complete and correct copies of the certificate of incorporation and bylaws (and any other comparable organizational documents) of the Company, each as amended and in effect as of the Agreement Date.

Section 3.2. Capitalization; Subsidiaries.

(a) As of the Agreement Date and immediately prior to the Initial Closing, Company Owner, is a wholly-owned subsidiary of Company Parent, and owns 100% of the outstanding equity interests of the Company. At the Initial Closing, the Shares (i) shall be duly authorized, validly issued and fully-paid and nonassessable, and (ii) shall be issued in compliance with applicable Law.

(b) **Section 3.2(b)** of the Disclosure Schedules [Omitted pursuant to Item 601(a)(5) of Regulation S-K] sets forth each subsidiary of the Company (the "**Subsidiaries**"), and, with respect to each Subsidiary: (i) corporate form, (ii) jurisdiction of formation, (iii) list of officers, directors and/or managers and (iv) authorized ownership interests and the number of issued and outstanding voting securities of such Subsidiary or other ownership interests therein. Except as set forth in **Section 3.2(b)** of the Disclosure Schedules [Omitted pursuant to Item 601(a)(5) of Regulation S-K], the Company and its Subsidiaries do not have any Subsidiaries or own or hold any equity or other security interest in any other Person. Except as set forth in **Section 3.2(b)** of the Disclosure Schedules [Omitted pursuant to Item 601(a)(5) of Regulation S-K], all issued and outstanding shares of voting securities of, or ownership interests in, the Company's Subsidiaries are directly or indirectly owned beneficially and of record by the Company, free and clear of all Liens.

(c) Other than the Existing Shares, the Company does not have any outstanding Equity Equivalents. There are no (x) outstanding obligations of the Company (contingent or otherwise) to repurchase or otherwise acquire or retire any of Equity Equivalents of the Company, or (y) voting trusts, proxies or other agreements between or among the Company or any of the Company's members with respect to the voting or transfer of any Equity Equivalents of the Company (other than this Agreement). No Shares are subject to vesting or forfeiture rights or repurchase by the Company.

(d) Neither the Company nor any of its Subsidiaries are a participant in any joint venture, partnership or similar arrangement. Except as set forth in **Section 3.2(d)** of the Disclosure Schedules [Omitted pursuant to Item 601(a)(5) of Regulation S-K], the Company has not made any investment and does not hold or control, directly or indirectly, any interest in any other corporation, partnership, trust, joint venture, limited liability company, association or other business entity. Except as set forth in **Section 3.2(d)** of the Disclosure Schedules [Omitted pursuant to Item 601(a)(5) of Regulation S-K], each Subsidiary of the Company is owned, directly or indirectly, 100% by the Company and there are no outstanding subscriptions, options, warrants, commitments, preemptive rights, agreements, arrangements or commitments of any kind relating to the issuance or sale of, or outstanding securities convertible into or exercisable or exchangeable for, any shares of capital stock of any class or other equity interests of any such Subsidiary. Each Subsidiary of the Company is an entity duly organized, validly existing and in good standing under the laws of its jurisdiction of incorporation or organization, with full corporate power and authority to conduct its business as is now being conducted and to own or use the properties and assets that it purports to own or use. Each Subsidiary of the Company is duly qualified to do business as a foreign corporation and is in good standing under the laws of each state or other jurisdiction in which either the ownership or use of the properties owned or used by it or the nature of the activities conducted by it makes such qualification or licensing necessary.

Section 3.3. Authorization; Execution & Enforceability; No Breach.

(a) The execution, delivery and performance of the Transaction Documents by the Company Parties and the consummation of the transactions contemplated hereby and thereby are within its power and have been duly and validly authorized by all necessary corporate action on the part of the Company Parties and no further corporate action is required on the part of the Company Parties to authorize the Transaction Documents to which it is a party and the transactions contemplated hereby and thereby. The Transaction Documents have been duly executed and delivered by the Company Parties, and (assuming due authorization, execution and delivery by the other parties hereto) constitutes the valid and binding obligation of the Company Parties, enforceable against the Company Parties, in accordance with its terms and conditions, subject to applicable bankruptcy, insolvency, reorganization, moratorium and similar Laws affecting creditors' rights generally, and subject, as to enforceability, to general principles of equity (regardless of whether enforcement is sought in an Action at law or in equity).

(b) Except for the filings, applications, submissions, notices and approvals required under State and Local Cannabis Laws as set forth in **Section 3.3(b)** of the Disclosure Schedules [Omitted pursuant to Item 601(a)(5) of Regulation S-K], no filing with or notice to, and no permit, authorization, registration, consent or approval of, any Governmental Authority is required on the part of the Company Parties for the execution, delivery and performance by the Company Parties of the Transaction Documents to which it is or will be a party nor the consummation of the transactions contemplated hereby or thereby.

(c) Except as set forth in **Section 3.3(c)** of the Disclosure Schedules [Omitted pursuant to Item 601(a)(5) of Regulation S-K], neither the execution, delivery nor performance by the Company Parties of the Transaction Documents to which it is or will be a party, nor the consummation of the transactions contemplated hereby or thereby, will (i) result in a breach of the terms, conditions or provisions of, (ii) constitute a default under (whether with or without the passage of time, the giving of notice or both), (iii) result in the creation of any Lien (except for a Permitted Lien), (iv) give any third party the right to modify, cancel, terminate, suspend, revoke or accelerate or increase any obligation or benefit under, (v) result in a violation of, (vi) require the consent, notice or other action by any third party under or (vii) create in any third party the right to terminate, modify, accelerate, cancel or change any right or obligation or deny any benefit arising under (A) the organizational documents of the Company or the Subsidiaries, (B) any Law to which the Company or the Subsidiaries is subject or (C) any Material Contract.

Section 3.4. Financial Statements.

(a) **Section 3.4(a)** of the Disclosure Schedules [Omitted pursuant to Item 601(a)(5) of Regulation S-K] sets forth true, complete and correct copies of (i) the audited consolidated balance sheet of the Company and its Subsidiaries as of December 31, 2018, December 31, 2019 and December 31, 2020 and the related statements of income, cash flows and stockholders' equity for the respective years then ended, and (ii) the unaudited consolidated balance sheet (the "**Recent Balance Sheet**") of the Company and its Subsidiaries as of September 30, 2020 (the "**Recent Balance Sheet Date**") and the unaudited statements of income, stockholders' equity and cash flows of the Company and its Subsidiaries for the nine (9) month period then ended. Collectively, the financial statements referred to in the immediately preceding sentence are sometimes referred to herein as the "**Financial Statements**." The Financial Statements (including the notes thereto, if any) have been prepared from, and are consistent with, the books and records of the Company and its Subsidiaries, and fairly present in all material respects the financial condition of the Company and its Subsidiaries taken as a whole as of the dates thereof, and the results of operations and cash flows for the periods then ended, and have been prepared in accordance with GAAP (except that the interim Financial Statements are subject to normal and recurring year-end adjustments, none of which are, individually or in the aggregate, material in amount or effect and do not include footnotes). Since January 1, 2020, there has been no change in any of the accounting (and Tax accounting) policies, practices or procedures of the Company.

(b) The Company has established and adhered to a system of internal accounting controls that are designed to provide reasonable assurance regarding the reliability of financial reporting. Except as set forth in Section 3.4(b) of the Disclosure Schedules [Omitted

pursuant to Item 601(a)(5) of Regulation S-K], there has never been any claim or allegation regarding any fraud or other wrongdoing that involves any of the management or other Employees of the Company who have a role in the preparation of financial statements or the internal accounting controls used by the Company.

(c) **Section 3.4(c)** of the Disclosure Schedules [Omitted pursuant to Item 601(a)(5) of Regulation S-K] sets forth a list of all Company Debt as of the Agreement Date and identifies for each item of such Company Debt the outstanding principal and accrued but unpaid interest as of the Agreement Date.

Section 3.5. Absence of Undisclosed Liabilities. The Company has no Liabilities, except for (a) Liabilities set forth on the Recent Balance Sheet (or notes thereto), or (b) Liabilities that have arisen after the Recent Balance Sheet Date in the Ordinary Course of Business, and are not, individually or in the aggregate, material in amount.

Section 3.6. Absence of Changes.

(a) Since September 30, 2020 through the MSA Effective Date, there has not been any result, occurrence, fact, change, event or effect which, individually or in the aggregate, has had or would reasonably be expected to have a Material Adverse Effect.

(b) Except as set forth on **Section 3.6(b)** of the Disclosure Schedules [Omitted pursuant to Item 601(a)(5) of Regulation S-K], since September 30, 2020 through the MSA Effective Date, the Company has operated in the Ordinary Course of Business and without any material change of policy or procedure, and the Company has not:

(i) incurred or suffered any material loss, damage, destruction or other casualty to any of the assets, properties or rights used or held by the Company (whether or not covered by insurance);

(ii) mortgaged, pledged or subjected to any Lien any of the assets of the Company, except for Permitted Liens and the Liens listed on **Section 3.7(a)** of the Disclosure Schedules [Omitted pursuant to Item 601(a)(5) of Regulation S-K];

(iii) entered into, terminated (other than at its stated expiration date), amended in any material respect, suspended or canceled any Material Contract or Permit;

(iv) sold, transferred or otherwise disposed of any assets or rights of the Company, other than sales, transfers or other dispositions made in the Ordinary Course of Business;

(v) (A) cancelled or waived any claim or right or (B) settled or compromised any claim under material Actions;

(vi) incurred any material capital expenditures;

(vii) entered into any employment, retention, severance, consulting, or similar Contract with any Employee, or authorized or granted any increase in the compensation or benefits of any of the Employees (other than offer letters or similar agreements for Employees

that are terminable by the Company at will or changes to the Employee Benefit Plans in the Ordinary Course of Business); or

(viii) made any change in any method of accounting or accounting practice, including, without limitation, its practices in connection with the treatment of expenses, accounts receivable, accounts payable or valuations of inventory.

Section 3.7. Assets.

(a) Except as set forth on **Section 3.7(a)** of the Disclosure Schedules [Omitted pursuant to Item 601(a)(5) of Regulation S-K], the Company has good and valid title to, a valid leasehold interest in, or a valid license or other contractual right to use the properties and assets, tangible or intangible, shown on the Recent Balance Sheet or acquired thereafter (the "**Business Assets**"), free and clear of all Liens, other than any Permitted Liens. Each Business Asset, as applicable, is free from material defects, has been maintained in accordance with normal industry practice, is in good operating condition and repair (subject to reasonable wear and tear) and is suitable for the purposes for which it is presently used. The Business Assets constitute all of the assets, rights and properties reasonably necessary, and are sufficient, for the conduct of the Business of the Company as currently conducted. Except as set forth on **Section 3.7(a)** of the Disclosure Schedules [Omitted pursuant to Item 601(a)(5) of Regulation S-K], all properties used in the operations of the Company are reflected in the Recent Balance Sheet to the extent required by GAAP.

(b) **Section 3.7(b)** of the Disclosure Schedules [Omitted pursuant to Item 601(a)(5) of Regulation S-K] lists all machinery, equipment, tools, furniture, fixtures, leasehold improvements, office equipment, motor vehicles, mobile equipment, rolling stock and other items of depreciable (or fully depreciated) tangible personal property owned by the Company with a net book value in excess of $[***] and identifies such assets as leased or subleased to the Company.

Section 3.8. Tax Matters.

(a) The Company has duly and timely filed all Tax Returns required to be filed by or with respect to it under applicable Laws, and all such Tax Returns are true, complete and correct in all material respects and have been prepared in compliance in all material respects with all applicable Laws.

(b) The Company has paid all Taxes due and owing by it (whether or not such Taxes are related to, shown on or required to be shown on any Tax Return), and has properly and timely withheld or deducted and paid over to the appropriate Taxing Authority all Taxes which it has been required to withhold or deduct from amounts paid or owing or deemed paid or owing or benefits given to any employee, equityholder, member, creditor or other third party.

(c) The Company is not currently the beneficiary of any extension of time within which to file any Tax Return or pay any Taxes, which extension is still in effect (other than valid automatic extensions received in the Ordinary Course of Business).

(d) The Company has not (i) waived any statute of limitations with respect to any Taxes or Tax Returns of the Company or (ii) consented in writing to any extension of time with respect to any Tax assessment or deficiency of the Company, which waiver or extension of time is currently in effect. The Company has not granted any powers of attorney concerning any Taxes or Tax Returns, which powers of attorney are still in effect.

(e) No Tax audits, investigations, actions, or assessments or administrative or judicial Actions are pending or are threatened in writing with respect to the Company, and there are no matters under discussion, audit or appeal with any Taxing Authority with respect to Taxes or Tax Returns of the Company.

(f) There are no Liens for Taxes on any of the assets of the Company, other than Liens for Taxes not yet due and payable and for which appropriate reserves have been established according to GAAP on the Financial Statements.

(g) No claim has ever been made by a Taxing Authority in a jurisdiction where the Company does not file Tax Returns that it is or may be subject to taxation by that jurisdiction, which claim has not been resolved.

(h) The Company (i) has never been a member of any affiliated group (other than any such group the common parent of which is the Company) filing or required to file a consolidated, combined, unitary, or other similar Tax Return, (ii) has no Liability for the Taxes of any Person other than itself under Section 1.15026 of the Treasury Regulations (or any similar provision of U.S. state or local or non-U.S. Law), as a transferee or successor, by Contract or otherwise, and (iii) is not party to or bound by and does not have any obligations under any Tax allocation, Tax sharing, Tax indemnification or other similar Contract.

(i) Since December 31, 2019, the Company has not made any material change (or filed for or requested any change) in financial or Tax accounting methods or practices or made, changed, revoked or modified any material Tax election, filed any amended Tax Return, settled or compromised any Tax liability, voluntarily approached any Taxing Authority in respect of any Taxes or Tax Returns relating to a prior Tax period (including through any voluntary disclosure process), consented to any claim or assessment related to any Taxes, entered into any closing or other agreement (including any extension or waiver of any statute of limitations) with any Taxing Authority with respect to any Taxes or Tax Returns, or changed its fiscal or Tax year.

(j) The Company will not be required to include any item of income in, or exclude any item of deduction from, taxable income for any taxable period (or portion thereof) ending after the MSA Effective Date as a result of any (i) change in method of accounting for a taxable period ending on or prior to the MSA Effective Date, (ii) use of an improper method of accounting for a taxable period ending on or prior to the MSA Effective Date, (iii) “closing agreement” as described in Section 7121 of the Code (or any corresponding or similar provision of state, local, or non-U.S. income Tax Law) executed prior to the MSA Effective Date, (iv) intercompany transaction or excess loss account described in Treasury Regulations under Section 1502 of the Code (or any corresponding or similar provision of state, local or non-U.S. Tax Law), (v) installment sale or open transaction disposition made prior to the MSA Effective Date,

(vi) prepaid amount or advance payment received on or prior to the MSA Effective Date, or (vii) election under Section 108(i) of the Code (or any corresponding provision of state, local, or non-U.S. Law).

(k) The Company has neither been a resident for Tax purposes in any jurisdiction, nor is or has had any branch, agency, permanent establishment or other taxable presence in any jurisdiction, other than the jurisdiction of its formation.

(l) The Company has not engaged in any "listed transaction" within the meaning of Sections 6111 and 6112 of the Code or any similar provisions of U.S. state or local or non-U.S. Law.

(m) Except as set forth on **Section 3.8(m)** of the Disclosure Schedules [Omitted pursuant to Item 601(a)(5) of Regulation S-K], the Company has not requested or received a written ruling from any Taxing Authority or signed any binding agreement with any Taxing Authority or made or filed any election, designation or similar filing with respect to Taxes of the Company.

(n) The unpaid Taxes of the Company (including, for the avoidance of doubt, any employment, payroll or similar Taxes deferred under the CARES Act) (i) did not, as of the Recent Balance Sheet Date, exceed the reserve for Tax liabilities (rather than any reserve for deferred Taxes established to reflect timing differences between book and Tax income) set forth on the face of the Recent Balance Sheet (rather than in any notes thereto) and (ii) will not exceed that reserve as adjusted for operations and transactions through the Initial Closing Date in accordance with the past custom and practice of the Company in filing its Tax Returns.

(o) The Company has duly and timely collected all amounts on account of any transfer taxes, including goods and services, harmonized sales and state, provincial or territorial sales taxes, required by applicable Laws to be collected by it and has duly and timely remitted to the appropriate Taxing Authority any such amounts required by Law to be remitted by it.

(p) **Section 3.8(p)** of the Disclosure Schedules [Omitted pursuant to Item 601(a)(5) of Regulation S-K] lists all Tax Returns filed with respect to the Company for taxable periods ended on or after December 31, 2017, identifies those Tax Returns that have been audited, and identifies those Tax Returns that currently are the subject of audit. The Company has delivered to Investor correct and complete copies of all income and other material Tax Returns, examination reports and statements of deficiencies assessed against or agreed to by the Company for taxable periods ended on or after December 31, 2017.

(q) No property owned by the Company (i) is "tax-exempt use property" within the meaning of Section 168(h)(1) of the Code; (ii) directly or indirectly secures any debt the interest of which is tax-exempt under Section 103(a) of the Code; (iii) is "tax-exempt bond financed property" within the meaning of Section 168(g) of the Code; (iv) is "limited use property" within the meaning of Rev. Proc. 76-30 or Rev. Proc. 2001-28; or (v) is subject to Section 168(g)(1)(A) of the Code. No property owned by the Company is (A) required to be treated as being owned by another person pursuant to the so-called "safe harbor lease" provisions of former Section 168(f)(8) of the Internal Revenue Code of 1954, as amended; (B) subject to a

lease under Section 7701(h) of the Code or under any predecessor section; or (C) subject to a disqualified leaseback or long-term agreement as defined in Section 467 of the Code.

(r) The Company (i) has not applied for, and has not received, any loan or other financial assistance under the CARES Act or the Paycheck Protection Program and Health Care Enhancement Act (P.L. 116-139), or (ii) has so applied for, or received, any such loan or other financial assistance and was eligible to make such application or receive such loan or other financial assistance, undertook its analysis to determine its eligibility and to make certifications regarding necessity in good faith, and has complied with all applicable conditions (including to maintain eligibility for any available loan forgiveness).

Section 3.9. Contracts.

(a) **Section 3.9(a)** of the Disclosure Schedules [Omitted pursuant to Item 601(a)(5) of Regulation S-K] sets forth an accurate and complete list (by each applicable subsection referenced below in this **Section 3.9(a)**) of each of the following Contracts to which the Company is a party or by which the Company is otherwise bound:

(i) any Contract providing for (A) payment by any Person to the Company in excess of $[***] annually, (B) requires a single capital expenditure greater than $[***], (C) involves a non-cancellable commitment to make capital expenditures in excess of $[***] annually, or (D) the purchase of products or services by the Company from any Person in excess of $[***] annually, in each case that cannot be cancelled by the Company without penalty or without more than thirty (30) days' notice;

(ii) any Contract establishing any joint ventures, strategic alliance, partnership, sharing of profit arrangement, and minority equity investments;

(iii) (A) any Contract for the employment or service of any officer, individual Employee or individual service provider or providing for the payment of any severance, retention, or Change in Control Payment or (B) any other Person providing for (x) fixed and/or variable compensation in the aggregate in excess of $[***] annually or (y) commission based arrangements;

(iv) any Government Contract;

(v) other than with the Senior Lender, any Contract or indenture relating to borrowed money or other Company Debt or the mortgaging, pledging or otherwise placing a Lien on any asset (tangible or intangible) or any letter of credit arrangements, or any guarantee therefor;

(vi) other than with the Senior Lender, any Contract or indenture under which the Company has (A) created, incurred, assumed or guaranteed (or may create, incur, assume or guarantee) Company Debt, (B) granted a Lien (other than a Permitted Lien) on its properties or assets, whether tangible or intangible, to secure such Company Debt or (C) extended credit to any Person (including any loan or advance);

(vii) any Contract under which the Company is a (A) lessee of or holds or operates any personal property, owned by any other Person or (B) lessor of or permits any other Person (other than the Company) to hold or operate any personal property owned or controlled by it, in each case with annual payments in excess of $[***];

(viii) any collective bargaining agreement, labor peace agreement or any other Contract with any labor union, works council, trade association or other agreement or Contract with any employee organization;

(ix) any (A) license, royalty, indemnification, covenant not to sue, escrow, co-existence, concurrent use, consent to use or other Contract relating to any Owned IP or Licensed IP (including any Contracts relating to the licensing of Intellectual Property by the Company to a third party or by a third party to the Company) and (B) other Contracts affecting the Company's ability to own, enforce, use, license, or disclose any Owned IP or Licensed IP (clauses (A) and (B), collectively, "**IP Licenses**"), provided that commercial "shrink-wrap" software and "shrink-wrap" software licenses ("**Off-the-Shelf Software Licenses**") shall not be required to be set forth on **Section 3.9(a)** of the Disclosure Schedules [Omitted pursuant to Item 601(a)(5) of Regulation S-K];

(x) any agent, sales representative, referral, marketing or distribution agreement;

(xi) any Contract that limits the ability of the Company to engage in any line of business or that contains a covenant not to compete applicable to the Company;

(xii) any Contract that contains "most favored nations" pricing terms or grants to any customer, supplier or vendor any right of first offer or right of first refusal or exclusivity or any similar requirement;

(xiii) any Contract that contains any "non-solicitation," "no hire" or similar provisions which restrict the Company from soliciting, hiring, engaging, retaining or employing any other Person's current or former employees;

(xiv) any settlement, conciliation or similar agreement entered into in the past three (3) years under which there are continuing obligations or Liabilities on the part of the Company;

(xv) any Contract for the disposition of any portion of the assets or Business of the Company (other than sales of products in the Ordinary Course of Business) or for the acquisition by the Company of the assets or business of any other Person (other than purchases of inventory or components in the Ordinary Course of Business);

(xvi) any Contract between or among the Company, on the one hand, and Company Parent, on the other hand;

(xvii) any Contract between or among the Company, on the one hand, and any current officer, director, manager, Employee or service provider of the Company (other

than employment and employment-related contracts made in the Ordinary Course of Business), on the other hand;

(xviii) any powers of attorney; and

(xix) any commitment or arrangement to enter into any of the foregoing.

(b) (i) Each of the Contracts set forth or required to be set forth on **Section 3.9(a)** of the Disclosure Schedules [Omitted pursuant to Item 601(a)(5) of Regulation S-K] and each of the Real Property Leases (collectively, the "**Material Contracts**") is in full force and effect and constitutes a valid, binding and enforceable obligation of the Company and the other parties thereto, (ii) the Company is not in breach of or default in any material respect under any Material Contract, and (iii) to the Knowledge of the Company, no counterparty is in breach of or default in any material respect under any Material Contract. To the Knowledge of the Company, the Company has not received notice of an intention by a counterparty to a Material Contract to terminate such Contract or amend the terms of such Contract, other than in the Ordinary Course of Business or as otherwise disclosed in **Section 3.9(a)** of the Disclosure Schedules [Omitted pursuant to Item 601(a)(5) of Regulation S-K]. No event or circumstance has occurred that, with notice or lapse of time or both, would constitute an event of default under any Material Contract or result in a termination thereof or would cause or permit the acceleration or other changes of any right or obligation or the loss of any benefit thereunder. The Company has provided, furnished or made available to Investor (x) a true, complete and correct copy of each written Material Contract, together with all amendments, waivers or other changes thereto and (y) a true, complete and correct description of the terms and conditions of each oral Material Contract.

Section 3.10. Intellectual Property Rights.

(a) **Section 3.10(a)** of the Disclosure Schedules [Omitted pursuant to Item 601(a)(5) of Regulation S-K] sets forth (with the application number/date, registration number/date, next deadline, title or mark, country or other jurisdiction and owner(s), as applicable) a complete and accurate list of all Owned IP that is registered, patented, or the subject of a pending application ("**Registered Owned IP**"). All Owned IP, including the Registered Owned IP, is valid, subsisting and enforceable. The Owned IP and Licensed Intellectual Property constitute all Intellectual Property used in or necessary to conduct the Business as currently conducted. Except as otherwise provided in this Agreement, the Intellectual Property owned and, except for Off-the-Shelf Software Licenses, the Intellectual Property used by the Company immediately prior to the Closing will continue to be owned or available for use by the Company on identical terms and conditions immediately after the Closing.

(b) Except as set forth in **Section 3.10(b)** of the Disclosure Schedules [Omitted pursuant to Item 601(a)(5) of Regulation S-K], (i) no Action is or has been pending or threatened in writing that challenges the legality, validity, enforceability, use or ownership of any item of Owned IP or that alleges that the operation of the Business infringes, violates or misappropriates the Intellectual Property of any Person, (ii) no operations of the Company or any product, ingredient or process that is used, manufactured, sold or distributed by or for the Company, as such operations are conducted or as such product, ingredient or process is used, manufactured, sold or distributed has infringed, violated or misappropriated the Intellectual

Property of any Person, (iii) to the Knowledge of the Company, no Person is infringing, violating or misappropriating any Owned IP, and (iv) the Company is not subject to any Order that limits the Company's right to use or enforce the Owned IP, other than any limitations set forth in any registration or application for Owned IP.

(c) The Company (i) exclusively owns and possesses, free and clear of all Liens, other than Permitted Liens and the Liens listed on **Section 3.7(a)** of the Disclosure Schedules [Omitted pursuant to Item 601(a)(5) of Regulation S-K], all right, title and interest in and to the Owned IP; and (ii) has the right to use all other Business IP pursuant to a license that is valid and enforceable.

(d) Each Employee and contractor of the Company that has made a contribution to the development of any Owned IP either (i) has entered into a contract pursuant to which such Person has assigned to the Company all Intellectual Property and inventions (whether patentable or unpatentable) such Person has conceived, created, authored, developed, or invented in connection with such contribution and which such contract is valid and binding, or (ii) developed such development as a "work made for hire" for the Company or in other circumstances under which, by operation of Law, the Intellectual Property in such development are owned by the Company.

(e) To the Knowledge of the Company, in the past twelve (12) months, there have been no material failures, crashes, security breaches or other adverse events affecting the IT Assets used by the Company, which have caused material disruption to the Business of the Company. The Company has implemented security, backup, and disaster recovery measures and technology consistent with industry practices and there has been no unauthorized or improper access of the IT Assets.

Section 3.11. Litigation. Except as set forth in **Section 3.11** of the Disclosure Schedules [Omitted pursuant to Item 601(a)(5) of Regulation S-K], (a) there have been no Actions (i) pending or, to the Company's Knowledge, threatened against or affecting the any Company Party or its assets, properties or rights or against any of its directors, managers, officers or employees (in each case, in their capacity as such) or (ii) initiated or threatened by or on behalf of any Company Party, and (b) there have been no outstanding Orders to which any Company Party or any of its Affiliates is a party or to which any Company Party or any of its Affiliates or its or their assets or properties is or are bound. To the Company's Knowledge no event has occurred or circumstances exist that would reasonably likely give rise to, or serves as a basis for, any such Action or Order.

Section 3.12. Labor Matters.

(a) **Section 3.12(a)** of the Disclosure Schedules [Omitted pursuant to Item 601(a)(5) of Regulation S-K] sets forth a list of, as of the Agreement Date, (i) the first and last names of all current Employees with the office location where the Employee normally works, (ii) the division, job title, date of hire, union status, full- or part- time status, overtime status, accrued vacation, current annual rate of compensation (or with respect to Employees compensated on an hourly or per diem basis, the hourly or per diem rate of compensation), including any bonus, contingent or deferred compensation, and estimated or target annual

incentive cash compensation of each such person, and (iii) the total annual compensation for such person during the calendar years ending December 31, 2019 and December 31, 2020 as reported on the current employee's W2 from the corresponding year. **Section 3.12(a)** of the Disclosure Schedules [Omitted pursuant to Item 601(a)(5) of Regulation S-K] also contains a complete and accurate list of all of the independent contractors, consultants, temporary employees or leased employees of the Company ("**Contingent Workers**") as of the Agreement Date, showing for each Contingent Worker such individual's job title and fee or compensation arrangements. The Company has properly classified and treated any such Contingent Worker in accordance with applicable Laws and for purposes of all wage, hour, classification and Tax Laws and employee benefit plans and prerequisites.

(b) The Company currently classifies and has properly classified each of its employees as exempt or non-exempt according to the Fair Labor Standards Act and other applicable state and local wage and hour Laws, and is and has been otherwise in compliance in all material respects with such applicable Laws.

(c) Except as set forth on **Section 3.12(c)** of the Disclosure Schedules [Omitted pursuant to Item 601(a)(5) of Regulation S-K], the Company is not a party to or otherwise bound by any collective bargaining agreement, labor peace agreement or relationship with any labor union, works council, trade association or other employee organization (collectively, "**Union**"). Except as set forth on **Section 3.12(c)** [Omitted pursuant to Item 601(a)(5) of Regulation S-K] there has never been, nor has there been any threat of, any strike, slowdown, work stoppage, lockout, picket, unfair labor practice charges or other similar labor dispute affecting the Company or any of its employees. Except as set forth on **Section 3.12(c)** of the Disclosure Schedules [Omitted pursuant to Item 601(a)(5) of Regulation S-K], the Company: (i) has not experienced any strikes, work stoppages, walkouts or other material labor disputes and no such dispute is pending or, to the Knowledge of the Company threatened, (ii) has not committed any material unfair labor practice, (iii) has not experienced any union organizational or decertification activities and to the Knowledge of the Company no such activities are currently underway or threatened by, on behalf of or against any labor union, works council, trade association or other employee organization with respect to Employees of the Company; (iv) has not implemented any plant closing or layoff of employees that would trigger the obligations under the Worker Adjustment and Retraining Notification Act of 1988, as amended, or any similar applicable foreign, state, provincial or local plant closing or mass layoff Law or (v) has not been subject to any pending or threatened, material employment-related Action in any forum, relating to an alleged violation or breach by the Company, or any of its officers or directors of any Law, regulation or Contract, and, to the Company's Knowledge neither the Company nor its employees, officers, directors or agents have committed any act or omission giving rise to material Liability for any violation or breach identified in this **Section 3.12(c).**

(d) The Company has paid all wages, salaries, wage premiums, bonuses, vacation pay, commissions, fees, and other compensation due and payable to its current and former Employees and Contingent Workers pursuant to applicable Law, Contract or policy.

(e) Except as set forth on **Section 3.12(e)** of the Disclosure Schedules [Omitted pursuant to Item 601(a)(5) of Regulation S-K], as of the Agreement Date, no officer of

the Company has informed the Company in writing of any plan to terminate employment with or services for the Company.

(f) (i) except as set forth in **Section 3.12(f)** of the Disclosure Schedules [Omitted pursuant to Item 601(a)(5) of Regulation S-K], no investigation by any Governmental Authority of the employment policies or practices of the Company is pending or, to the Company's Knowledge, threatened, (iii) except as set forth on **Section 3.12(f)** of the Disclosure Schedules [Omitted pursuant to Item 601(a)(5) of Regulation S-K], no litigation, arbitration or administrative proceeding is pending or, to the Company's Knowledge, threatened against the Company relating to its employment policies or practices, and (iv) except as set forth on **Section 3.12(f)** of the Disclosure Schedules [Omitted pursuant to Item 601(a)(5) of Regulation S-K] during the past five (5) years, the Company has not been a party to a settlement agreement with a current or former employee that relates primarily to allegations of sexual harassment or sexual misconduct and no allegations of sexual harassment or sexual misconduct have been made against any officer, director or employee of the Company in his or her capacity as an officer, director or employee of the Company.

Section 3.13. Employee Benefits.

(a) **Section 3.13(a)** of the Disclosure Schedules [Omitted pursuant to Item 601(a)(5) of Regulation S-K] sets forth a true, complete and correct list of each (i) "employee benefit plan" (as such term is defined in Section 3(3) of ERISA, whether or not subject to ERISA), medical, dental, life insurance, equity or equity-based compensation, stock option, stock purchase, employee stock ownership, bonus or other incentive compensation, employment, consulting, profit sharing, disability, salary continuation, severance, change in control, retention, retirement, pension, deferred compensation, vacation, sick pay or paid time off plan, program, arrangement or policy in excess of applicable legal requirements, and each other benefit or compensation plan, policy, agreement (including employment and consulting agreements), program or arrangement, whether funded or unfunded, that the Company maintains, sponsors, contributes to or is required to contribute to, or under or with respect to which the Company has any current or potential Liability, including on account of an ERISA Affiliate, (each, an "**Employee Benefit Plan**" and collectively, the "**Employee Benefit Plans**").

(b) With respect to each Employee Benefit Plan, the Company has provided, furnished or made available to Investor true, complete and correct copies of, as applicable: (i) the current plan documents, or, if terminated, the plan document as of the plan termination date, with all amendments thereto (or for each Employee Benefit Plan that is not written, a description thereof); (ii) the most recent summary plan description and all related summaries of material modifications; (iii) the most recent determination or opinion letter received from the IRS; (iv) the three (3) most recent annual reports (Form 5500-series, with all applicable schedules and attachments); (v) all current related insurance Contracts, other funding arrangements and administrative services agreements; (vi) all material notices or correspondence to the Company from or with any Governmental Authority since December 31, 2015; and (vii) all other material documents pursuant to which such Employee Benefit Plan is maintained, funded and administered.

(c) To the Company's Knowledge, each Employee Benefit Plan (and each related trust, insurance Contract or fund) has been established, maintained, funded and administered in accordance with its terms (and the terms of any applicable collective bargaining agreement, if applicable) and in compliance in all material respects with all applicable requirements of ERISA, the Code and other applicable Laws, including the Patient Protection and Affordable Care Act and the Health Care and Education Reconciliation Act of 2010, as amended, and any guidance issued thereunder ("**PPACA**"). The Company and each Person that at any relevant time would be, is or has been treated as a single employer with the Company under Section 414 of the Code (each, an "**ERISA Affiliate**") have complied and are in compliance in all material respects with the requirements of Part 54 of Subtitle B of Title I of ERISA, Section 4980B of the Code, and any similar state Laws ("**COBRA**") and PPACA. The Company has not incurred, or is reasonably expected to incur or to be subject to, any Tax, penalty or other liability that may be imposed under PPACA.

(d) Each Employee Benefit Plan that is intended to be "qualified" under Section 401(a) of the Code either has received a current favorable determination from the IRS or may rely upon a current favorable opinion letter from the IRS that such Employee Benefit Plan is so qualified, and nothing has occurred that would adversely affect the qualification of such Employee Benefit Plan.

(e) With respect to each Employee Benefit Plan, all contributions, distributions, reimbursements and payments (including all employer contributions, employee salary reduction contributions, and premium payments) that are due have been made within the time periods prescribed by the terms of each Employee Benefit Plan, ERISA, the Code and other applicable Laws, and all contributions, distributions, reimbursements or payments for any period ending on or before the Initial Closing Date that are not yet due have been made or properly accrued. No Employee Benefit Plan has any unfunded Liability not accurately reflected on the Financial Statements.

(f) None of the Company or any ERISA Affiliate maintains, sponsors, contributes to, has any obligation to contribute to, or has any current or potential Liability under or with respect to (i) any "defined benefit plan" as defined in Section 3(35) of ERISA or any other plan that is or was subject to the funding requirements of Section 412 of the Code or Section 302 or Title IV of ERISA, (ii) any "multiemployer plan" as defined in Section 3(37) or 4001(a)(3) of ERISA, (iii) any multiple employer welfare arrangement (within the meaning of Section 3(40) of ERISA), (iv) any multiple employer plan (as described in Section 413(c) of the Code) or (v) any plan, program or arrangement that provides for post-retirement or post-employment medical, life insurance or other similar benefits (other than health continuation coverage required by COBRA for which the covered Person pays the full cost of coverage). None of the Company or any ERISA Affiliate has any current or potential Liability to the Pension Benefit Guaranty Corporation or otherwise under Title IV of ERISA. The Company has no Liability (whether current or contingent) as a result of at any time being treated as a single employer under Section 414 of the Code with any other Person.

(g) All required reports and descriptions (including Form 5500 annual reports, summary annual reports, and summary plan descriptions) have been timely filed and distributed

in accordance with the applicable requirements of ERISA and the Code with respect to each Employee Benefit Plan.

(h) With respect to each Employee Benefit Plan, (i) there have been no non-exempt "prohibited transactions" (as defined in Section 406 of ERISA or Section 4975 of the Code), (ii) no "fiduciary" (as defined under ERISA) has any Liability for breach of fiduciary duty or any other failure to act or comply in connection with the administration or investment of the assets of such Employee Benefit Plan, and (iii) no Action (other than routine claims for benefits) is pending or to the Company's Knowledge, is threatened, and to the Company's Knowledge there are no facts that would give rise to or would reasonably be expected to give rise to any such Action. No act, omission or transaction has occurred which would result in the imposition on the Company of (A) breach of fiduciary duty liability damages under Section 409 of ERISA, (B) a civil penalty assessed pursuant to subsections (c), (i) or (l) of Section 502 of ERISA or (C) a Tax, penalty or assessment imposed pursuant to Chapter 43 of Subtitle D of the Code.

(i) The consummation of the transaction contemplated hereunder, alone, or in combination with any other event, shall not (i) entitle any current or former director, officer, employee, independent contractor or consultant or other individual service provider of the Company (or the beneficiaries of such individuals) to any severance, change in control, retention, or other payment or benefit under any Employee Benefit Plan or otherwise or (ii) accelerate the time of payment, funding or vesting, or increase the amount of compensation or benefits due to any such employee or other individual service provider (or their beneficiaries), or otherwise give rise to any obligation to fund or any Liability under any Employee Benefit Plan or otherwise. No amount that would be received (whether in cash, property or the vesting of property, or any form of benefit) as a result of the execution of this Agreement or the consummation of the transactions contemplated hereby (either alone or upon the occurrence of any subsequent termination of employment) would result, separately or in the aggregate, in the payment of an "excess parachute payment" within the meaning of Section 280G of the Code or an amount that would be subject to an excise tax under Section 4999 of the Code.

(j) The Company has correctly classified those individuals performing services for the Company as common law employees, leased employees, exempt or non-exempt employees, independent contractors or agents of the Company, as the case may be, and to the Knowledge of the Company, the Company has no Liability for improper classification of any such individual, including for unpaid overtime or by reason of an individual who performs or performed services for the Company in any capacity being improperly excluded from participating in an Employee Benefit Plan.

(k) Each Employee Benefit Plan that is a "nonqualified deferred compensation plan" (as defined under Section 409A(d)(1) of the Code) has been operated and administered in compliance in all material respects with, and is in documentary compliance in all material respects with, Section 409A of the Code and the Treasury Regulations and other official guidance promulgated thereunder. The Company has no indemnity or gross-up obligation on or after the Closing for any Taxes imposed under Section 409A of the Code (or any corresponding provisions of state, local, or foreign Tax Law).

Section 3.14. Compliance with Laws; Permits.

(a) Except with respect to Federal Cannabis Laws, the Company is and has been in compliance in all material respects with all Laws of any Governmental Authority applicable to the Company. The Company has not received any written notice from a Governmental Authority that alleges that it is not in compliance with any Law, and the Company has not been subject to any adverse inspection, finding, investigation, penalty assessment, audit or other compliance or enforcement action.

(b) The Company holds and is, and has been, in compliance in all material respects with all Permits required for the conduct of the Business and the ownership of its assets and properties. **Section 3.14(b**) of the Disclosure Schedules [Omitted pursuant to Item 601(a)(5) of Regulation S-K] sets forth an accurate and complete list of all of such Permits (collectively, the "**Company Permits**"), including with respect to each Company Permit: (i) the operations, activities, locations and/or facilities authorized, covered by, or subject to such Company Permit; (ii) the issuer of such Company Permit; (iii) the expiration or renewal date for such Company Permit and (iv) any conditions provided in such Company Permit. All conditions of or restrictions on such Company Permits that may materially affect the ability to perform any cannabis related activity authorized by the Laws of the states and municipalities in which the Company operates, whether or not embodied in the Company Permit, are disclosed in **Section 3.14(b)** of the Disclosure Schedules [Omitted pursuant to Item 601(a)(5) of Regulation S-K]. Each Company Permit is in full force and effect, and except as set forth on **Section 3.14(b)** of the Disclosure Schedules [Omitted pursuant to Item 601(a)(5) of Regulation S-K] is not subject to any pending or, to the Knowledge of the Company, threatened administrative or judicial proceeding to revoke, cancel, suspend or declare such Permit invalid. The Company Permits are the only licenses, permits, franchises, authorizations and approvals required for the conduct of the Business. The Company has not violated a material term of any Company Permit or a material condition under which any Company Permit was granted. All renewals for the Company Permits have been timely applied for and, to the Company's Knowledge no event or circumstance has occurred or exists that would prohibit or prevent the reissuance to Investor or the Company of any of the Company Permits. All fees and charges with respect to such Company Permits as of the Agreement Date have been paid in full and will be paid through the MSA Effective Date.

(c) Except as set forth on **Section 3.14(c)** of the Disclosure Schedules [Omitted pursuant to Item 601(a)(5) of Regulation S-K], (i) the Company has not received any notice from any Governmental Authority having jurisdiction over its operations, activities, locations, or facilities, of (A) any deficiencies or violations of, or (B) any remedial or corrective actions required in connection with, any Company Permits or their renewal, (ii) to the Company's Knowledge no action is being or has been threatened or contemplated with which (1) would reasonably be expected to result in the issuance of any such notice or (2) would prevent or impair the operations and activities engaged in pursuant to such Company Permits, and (iii) no event has occurred that, with or without notice or lapse of time or both, would reasonably be expected to result in the revocation, suspension, lapse or limitation of any Company Permits. Without limiting the foregoing, neither the Company nor to the Company's Knowledge any

Affiliate of the Company has made any bribe, rebate, payoff, influence payment, kickback or other payment unlawful under any applicable Law.

(d) Reserved.

(e) To the Company's Knowledge, any Person who is required to have a Permit under applicable law or regulation to provide any cannabis or cannabis-related services for which the Company has hired or engaged with such Person (the "**Licensed Providers**") has all Permits necessary for the conduct of their business activities involving the Company. Except as set forth on **Section 3.14(e)** of the Disclosure Schedules [Omitted pursuant to Item 601(a)(5) of Regulation S-K], (i) the Company has not received any written notice from any Governmental Authority having jurisdiction over the Licensed Providers' operations, activities, locations, or facilities, of (A) any deficiencies or violations of, or (B) any remedial or corrective actions required in connection with any Permit held by a Licensed Provider or their renewal, and (ii) to the Company's Knowledge no event has occurred that, with or without notice or lapse of time or both, would reasonably be expected to result in the revocation, suspension, lapse or limitation of any Permit held by a Licensed Provider necessary for its cannabis or cannabis-related activities and operations involving the Company.

(f) Company Parent, the Company and their respective Affiliates have complied with all restrictions on ownership, control and participation in the Company and its Business under all applicable State and Local Cannabis Laws and to the Knowledge of the Company have made no false statement, representation or omission to any Governmental Authority in connection with the Company, its Business, or its Permits.

Section 3.15. Real Property.

(a) **Section 3.15(a)** of the Disclosure Schedules [Omitted pursuant to Item 601(a)(5) of Regulation S-K] sets forth the address of each parcel of real property that is owned by the Company (the "**Owned Real Property**"), and a true and complete list of all real property deeds evidencing ownership of such Owned Real Property. The Owned Real Property is maintained in a manner consistent with standards generally followed with respect to similar properties, and is otherwise suitable for the conduct of the Business of the Company as presently conducted in all material respects. The Closing will not affect the continued use and possession of the Owned Real Property by the Company for the conduct of the Business as presently conducted. Neither the operation of the Company on the Owned Real Property nor such Owned Real Property, including the improvements thereon, violate in any material respect any applicable building code, zoning requirement or statute relating to such property or operations thereon, and any such non-violation is not dependent on so-called non-conforming use exceptions. The Company has good, clear, record and marketable title to all Owned Real Property, free and clear of all Liens, liabilities, encumbrances and title exceptions or claims other than (i) Liens for taxes not yet due and payable, (ii) zoning Laws, and (iii) utility easements and other of record easements that will not impair or prohibit the use of the Owned Real Property for the cultivation, processing and handling of cannabis and cannabis-related products.

(b) Except as set forth on **Section 3.15(b)** of the Disclosure Schedules [Omitted pursuant to Item 601(a)(5) of Regulation S-K], (i) the Company is not a party to or

bound by any agreement providing another Person with the right to purchase, lease, or sublease from the Company any Owned Real Property or any portion thereof and there are no options, right of first offer, or rights of first refusal related thereto; (ii) the Company has not leased, subleased, or otherwise granted to any Person the right to use or occupy any Owned Real Property or any portion thereof; and (iii) the Company is not a party to or bound by any agreement providing the Company with the right or obligation to purchase from another Person any real property or any interest in real property.

(c) Except as set forth on **Section 3.15(c)** of the Disclosure Schedules [Omitted pursuant to Item 601(a)(5) of Regulation S-K], there is no debt associated with the Owned Real Property.

(d) **Section 3.15(d)** of the Disclosure Schedules [Omitted pursuant to Item 601(a)(5) of Regulation S-K] sets forth a true, correct and complete list of all real property leased or licensed by the Company, whether as lessee or lessor (the "**Leased Real Property**"), each Contract relating to the use and/or occupancy of such Leased Real Property, including all leases, subleases, agreements to lease or other occupancy agreements (written or oral) entered into by the Company, lease guarantees, tenant estoppels, subordinations, non-disturbance and attornment agreements, including all amendments thereto, and all condominium documents and service agreements relating thereto (the "**Real Property Leases**"). **Section 3.15(d)** of the Disclosure Schedules [Omitted pursuant to Item 601(a)(5) of Regulation S-K] also lists (i) the street address of each Real Property Lease parcel; (ii) the landlord under the lease, the rental amount currently being paid, and the expiration of the term of such lease or sublease for each leased or subleased property; and (iii) the current use of such property. The Company has a valid and enforceable leasehold interest in all its Leased Real Property reflected in the Financial Statements or acquired after the Recent Balance Sheet Date. Except as set forth on **Section 3.15(d)** of the Disclosure Schedules [Omitted pursuant to Item 601(a)(5) of Regulation S-K], all such properties (including leasehold interests) are free and clear of all Liens, other than Permitted Liens and the Liens listed on **Section 3.7(a)** of the Disclosure Schedules [Omitted pursuant to Item 601(a)(5) of Regulation S-K].

(e) The Company has delivered or made available to Investor true, complete and correct copies of all Real Property Leases. Each Real Property Lease is in full force and effect. Except as set forth on **Section 3.15(e)** of the Disclosure Schedules [Omitted pursuant to Item 601(a)(5) of Regulation S-K], (i) all rents and additional rents due to date on each Real Property Lease have been paid and neither the Company nor any other party to any such Real Property Lease has received notice of any breach or default or has repudiated any provision thereof, (ii) the Company has not received written notice of cancellation or termination with respect to any Real Property Lease, (iii) there exists no event that, with notice or lapse of time, or both, would constitute a breach or default by the Company or any other party thereto, under any of the Real Property Leases, and (iv) the Company is not a sublessor or grantor under any sublease or other instrument granting to any other Person any right to the possession, lease, occupancy or enjoyment of any leased or subleased Real Property.

(f) The Leased Real Property and the Owned Real Property (together, the "**Real Property**") comprise all of the real property used or intended to be used in, or otherwise

related to, the Business. The use and operation of the Real Property in the conduct of the Business does not violate in any material respect any Law, covenant, condition, restriction, easement, license, Permit or Contract. Except as set forth on **Section 3.15(f)** of the Disclosure Schedules [Omitted pursuant to Item 601(a)(5) of Regulation S-K], no material improvements constituting a part of the Owned Real Property encroach on real property owned or leased by a Person other than the Company. There are no Actions pending nor threatened against or affecting the Owned Real Property or any portion thereof or interest therein in the nature or in lieu of condemnation or eminent domain proceedings. Neither the whole nor any material portion of any building or material improvement constituting a part of the Real Property that is used by the Company has been damaged or destroyed by fire or other casualty. Except as set forth on **Section 3.15(f)** of the Disclosure Schedules [Omitted pursuant to Item 601(a)(5) of Regulation S-K], no material construction, alteration or other leasehold improvement work with respect to any of the Company's facilities remains to be paid for or to be performed by the Company.

(g) Except as set forth on **Section 3.15(g)** of the Disclosure Schedules [Omitted pursuant to Item 601(a)(5) of Regulation S-K], no consent of any landlord or any other party is required under any Real Property Lease as the result of the transactions contemplated hereby or to keep such Real Property Lease in full force and effect after the execution and delivery of this Agreement and the consummation of the transactions contemplated hereby.

(h) The Company has not received notice from any Governmental Authority of any violation of any Law with respect to any of the Real Property that has not been corrected heretofore, and no such violation currently exists. Except as set forth in **Section 3.15(f)** of the Disclosure Schedules [Omitted pursuant to Item 601(a)(5) of Regulation S-K], all improvements necessary for the Business of the Company as currently conducted and constituting part of the Real Property have been completed and are now in compliance in all respects with all applicable Laws and there are presently in effect all Permits required by Law. To the Knowledge of the Company (with no duty to investigate), (i) there is at least the minimum access required by applicable subdivision or similar Law to the Real Property (ii) there are no structural, latent or hidden, defects in the buildings and other material improvements that are part of the Real Property that would materially affect the ability to operate any of the Real Property as currently operated for the continued conduct of the Company's Business, and (iii) the Real Property is sufficient for the continued conduct of the Business after the Closing in substantially the same manner as conducted prior to the Closing and constitutes all of the real property necessary to conduct the Business of the Company as currently conducted. The Company has not received notice of any pending or threatened real estate Tax deficiency or reassessment or condemnation of all or any portion of any of the Real Property.

Section 3.16. Environmental Matters.

(a) The operations of the Business, and all products manufactured and services provided by the Business, have been in compliance in all material respects with all applicable Environmental Laws and Environmental Permits issued thereunder.

(b) The Company has obtained all Environmental Permits required for the Business to operate within the Real Property and all such Environmental Permits are valid, in good standing and in full force and effect, and the Company is in compliance in all material

respects with all terms and conditions of such Environmental Permits. The Company has not received any written notice regarding any actual or alleged violation of or material liability under Environmental Laws. Except as set forth on **Section 3.16(b)** of the Disclosure Schedules [Omitted pursuant to Item 601(a)(5) of Regulation S-K], the Company has not assumed or provided an indemnity with respect to any liabilities of any other Person arising under Environmental Laws.

(c) The Company has not generated, transported, treated, stored, or disposed of any Hazardous Materials at or on the Real Property or any part thereof or in any area surrounding or adjacent thereto, or on, under or at any real property previously owned, leased or licensed by the Company, in each case, except in compliance in all material respects with applicable Environmental Laws, and there has been no Release of any Hazardous Materials by the Company at or on the Real Property that requires reporting or remediation by the Company pursuant to any applicable Environmental Law. To the Knowledge of the Company, all containers for or containing Hazardous Materials used, generated or disposed of by the Company in the conduct of the Business, have been identified, dated, logged, manifested and disposed of in compliance in all material respects with all applicable Environmental Laws, whether or not on property owned by the Company, and such containers are disposed of by a Hazardous Materials handler (or handlers) who or which have all certificates, licenses, other forms of authorization and other Permits that are required to be obtained by such handler (or handlers) under applicable Laws (currently in effect, or in effect at the time of such disposal) and such handler (or handlers) has disposed of such containers in compliance in all material respects therewith. No Hazardous Materials, handler, treatment, storage or disposal facility is used by the Company in connection with the conduct of the Company's business or the operation of the Business Assets, including the Real Property. To the Company's Knowledge, none of the Real Property is located in an active or inactive hazardous waste disposal site. There are no pending or, to the Knowledge of the Company, threatened investigations of the Business, or currently or previously owned, operated or leased property of the Company regarding violations of or liabilities under Environmental Laws.

(d) The Company has not: (i) received written notice under the citizen suit provisions of any Environmental Law; (ii) received any written request for information, notice, demand letter, administrative inquiry or written complaint or written claim from any Governmental Authority under any Environmental Law; (iii) been subject to or, to the Knowledge of the Company, threatened with any governmental or citizen enforcement action with respect to any Environmental Law; or (iv) received written notice of any unsatisfied liability under any Environmental Law. The Company is not subject to any outstanding Order pursuant to Environmental Laws. The Company has not, and to the Company's Knowledge none of its currently or previously owned, leased, or licensed property (including the Real Property) or operations has been named as a potentially responsible party or is subject to any outstanding written order from or agreement with any Governmental Authority or other Person or is subject to any judicial or docketed administrative proceeding respecting (x) Environmental Laws, (y) Remedial Action or (z) any Environmental Liabilities. Neither the Company nor any of its Affiliates have received any notice or claim to the effect that it is or is reasonably expected to be liable to any Person as a result of a Release or threatened Release or any notice letter or request

for information under the Comprehensive Environmental Response, Compensation, and Liability Act.

(e) No Environmental Lien, including any unrecorded Environmental Lien of which the Company has written notice, has attached to any currently or previously owned or leased property of the Company or Business Asset.

(f) The Company has provided, furnished or made available to Investor true and correct copies of all material written environmental studies, audits, reviews, reports and assessments, if any, conducted by or on behalf of or in possession, custody or control of the Company bearing on Environmental Liabilities relating to the past or current operations or facilities of the Company.

Section 3.17. Affiliate Transactions. Except as set forth on **Section 3.17** of the Disclosure Schedules [Omitted pursuant to Item 601(a)(5) of Regulation S-K] and with the Senior Lender, (a) the Company is not a party to any Contract or arrangement with, or indebted, either directly or indirectly, to any of its officers, directors, managers, equityholders or, to the Knowledge of the Company, any of their respective relatives or Affiliates, other than (i) the compensation disclosed with respect to employees on **Section 3.12(a)** of the Disclosure Schedules [Omitted pursuant to Item 601(a)(5) of Regulation S-K] and (ii) atwill employee offer letters; (b) none of such Persons is indebted to the Company, or, to the Knowledge of the Company, has any direct or indirect ownership interest in, or any contractual or business relationship with, any Person with which the Company is or was affiliated or with which the Company has a business relationship, or any Person which, directly or indirectly, competes with the Company; and (c) none of the Company's officers, directors, managers, or equityholders has any interest in any property, real or personal, tangible or intangible, including inventions, copyrights, trademarks, or trade names, used in or pertaining to the Business, or to the Knowledge of the Company, any supplier, distributor or customer of the Company.

Section 3.18. Insurance. **Section 3.18** of the Disclosure Schedules [Omitted pursuant to Item 601(a)(5) of Regulation S-K] sets forth, as of the Agreement Date, a description of each insurance policy (each, an "**Insurance Policy**") carried by, or maintained on behalf of, the Company which Insurance Policies are in full force and effect as of the Agreement Date. The Company has not received notice of any default under any Insurance Policy. There are no claims under the Insurance Policies which are reasonably likely to exhaust the applicable limit of liability and the Company has reported in a timely manner all reportable events to its insurers. All premiums due and payable under the Insurance Policies have been timely paid, and the Company is in material compliance with the terms of the Insurance Policies.

Section 3.19. Brokers. Except as set forth on **Section 3.19** of the Disclosure Schedules [Omitted pursuant to Item 601(a)(5) of Regulation S-K], no broker, finder or investment banker is entitled to any brokerage commissions, finders' fees or similar compensation in connection with the transactions contemplated by this Agreement based on any arrangement or agreement to which any Company Party is a party or to which such Company Party is subject for which Investor or its Affiliates (including the Company) could become obligated after the Closing.

Section 3.20. Accounts Receivable. The Company has no aged Accounts Receivable.

Section 3.21. Vendors. **Section 3.21** of the Disclosure Schedules [Omitted pursuant to Item 601(a)(5) of Regulation S-K] sets forth a list as of the Agreement Date of the top ten (10) suppliers and vendors to the Company (based on total amount purchased from such supplier or vendor) for the twelve-month period ended December 31, 2020 (each a "**Material Vendor**"), showing the approximate total spend by the Company from each such supplier or vendor during such fiscal year and the percentage of total spend of the Company represented by such spend. Since December 31, 2020, (a) no Material Vendor has canceled or otherwise terminated, or, to the Company's Knowledge, threatened to cancel, or intends to cancel or terminate, its relationship with the Company, and (b) no Material Vendor has decreased or, to the Company's Knowledge, threatened to decrease or limit its business with the Company intends to modify its relationship with the Company (except in the Ordinary Course of Business).

Section 3.22. Bank Accounts. **Section 3.22** of the Disclosure Schedules [Omitted pursuant to Item 601(a)(5) of Regulation S-K] contains a true, complete and correct list of (a) all banks or other financial institutions with which the Company has an account or maintains a lock box or safe deposit box, showing the type of each such account, lock box and safe deposit box and (b) the names of the Persons authorized as signatories thereon or to act or deal in connection therewith.

Section 3.23. Inventory. All of the Company's inventories, materials, and supplies consist of items of quality and quantity, in good condition and usable or salable in the Ordinary Course of Business. The values of the inventories stated in the Financial Statements reflect the Company's normal inventory valuation policies and were determined in accordance with GAAP.

Section 3.24. Compliance with Privacy and Security Laws.

(a) The Company has established and implemented such policies, programs, procedures, contracts and systems, as are necessary to comply with (i) applicable state and federal laws governing the privacy and security of health information pertaining to individuals, including regulations promulgated pursuant thereto, and (ii) applicable state and federal laws governing the privacy and security of Personal Information (collectively, the "**Privacy and Security Laws**").

(b) All Personal Information that has been collected, acquired, stored, disposed, processed, maintained, treated or otherwise used by the Company has been collected, acquired, stored, disposed, processed, maintained, treated and otherwise used in compliance in all material respects with all applicable industry standards and requirements, in each case to the extent applicable to the Company, and the Company's own applicable policies and procedures related to rights of publicity, privacy, data protection, information security, or the collection, use, storage or disposal of Personal Information collection, used or held for use by the Company in the conduct of their businesses. To the Knowledge of the Company there has been no loss of, or unauthorized access, use, disclosure or modification of any Personal Information or of any confidential information that would trigger a mandatory breach notification as required by applicable Law.

(c) The Company has established, and is in compliance in all material respects with, its currently posted privacy policy and terms of use available on its website(s), and its

current internal information security and human resources policies and procedures (and has been in compliance in all material respects with all historically posted privacy policies, terms of use and all historic information security and human resources policies and procedures) pertaining to the collection, access, storage, transfer, receipt and use of Personal Information, and to the Company's Knowledge has never collected, accessed, stored, transferred, received, or used any Personal Information in a manner violative of such privacy policies, terms of use, information security policies and human resource policies and procedures.

(d) Each privacy policy or other privacy notice, as applicable, used in the conduct of the Company's business contains, and has since the date that is three (3) years prior to the Agreement Date contained, express authorization for the Company to transfer Personal Information to a partner, successor, or transferee in a merger, or an acquirer of its business, equity or assets.

(e) The Company has not received notice of noncompliance with any Privacy and Security Law, guidelines or industry standards, and no claim or proceeding has been asserted in writing or threatened in writing against the Company alleging a violation of any Person's rights of publicity or privacy or Personal Information or data rights. The consummation of the transaction contemplated hereunder will not breach or otherwise cause any violation in any material respect of any of the Company's own applicable policies and procedures related to rights of publicity, privacy, data protection, information security, or the collection, use, storage or disposal of Personal Information collection, used or held for use by the Company in the conduct of their businesses.

(f) The Company has not, and currently does not, market its products and services to any Persons under the age of 13, and the Company does not knowingly collect Personal Information from any Persons under the age of 13.

(g) The Company has complete and correct records of all Persons who have notified the Company of such Person's election not to receive any electronic communications or solicitations ("**Opt-Out Notifications**") from the Company. The Company has complied in all material respects with all such Opt-Out Notifications.

(h) The Company has in place, maintains, and complies with adequate anti-virus and malware protection, and security measures and safeguards to protect business data and Personal Information against illegal or unauthorized access or use by its personnel or third parties, or access or use of such information by its personnel or third parties in a manner violative of any Privacy and Security Law, applicable industry standards or guidelines, or the privacy rights of third parties, as applicable, in each case consistent with industry practices. To the Knowledge of the Company, no Person has gained unauthorized access to or made any unauthorized use of any trade secrets of the Company or Personal Information collected or received by the Company in a manner that would trigger a mandatory breach notification as required by applicable Law.

(i) Except as set forth on **Section 3.24(i)** of the Disclosure Schedules [Omitted pursuant to Item 601(a)(5) of Regulation S-K], the Company is in compliance in all material respects with the Privacy and Security Laws and the Company has not received notice

of any incident reports or allegations that it has breached the Privacy and Security Laws. Attached to **Section 3.24(i)** of the Disclosure Schedules [Omitted pursuant to Item 601(a)(5) of Regulation S-K] are all written consultant reports, corrective actions and plans of action for implementation of any requirements with respect to the Business of the Company under the Privacy and Security Laws.

Section 3.25. No Other Representations and Warranties. Except for the representations and warranties contained in this **Article III** (including the related portions of the Disclosure Schedules [Omitted pursuant to Item 601(a)(5) of Regulation S-K]), neither the Company, Company Parent nor any other Person has made or makes any other express or implied representation or warranty, either written or oral, on behalf of the Company, including any representation or warranty as to the accuracy or completeness of any information regarding the Business and the Company furnished or made available to Investor and its Representatives (including any information, documents or material delivered or made available to Investor or its Representatives, management presentations or in any other form in expectation of the transactions contemplated hereby) or as to the future revenue, profitability or success of the Business, or any representation or warranty arising from statute or otherwise in law.

ARTICLE IV.
REPRESENTATIONS AND WARRANTIES OF INVESTOR

Investor represents and warrants to the Company Parties that the statements contained in this **Article IV** are true and correct as of the date hereof, subject to the exceptions and qualifications disclosed by Investor in the written schedules provided to the Company Parties, dated as of the Agreement Date (the "**Investor Disclosure Schedules**"). The Investor Disclosure Schedules shall be arranged in sections and subsections corresponding to the numbered and lettered sections and subsections contained in this **ARTICLE IV**. Notwithstanding the foregoing, any event or condition specifically disclosed in reasonable detail in any section or subsection of the Investor Disclosure Schedules shall be deemed disclosed and incorporated into any other section or subsection of the Investor Disclosure Schedules with the same degree of specification for purposes of this **ARTICLE III**.

Section 4.1. Organization and Authority of Investor. Investor is a limited liability company duly organized, validly existing and in good standing under the Laws of the State of New York. Investor has full company power and authority to enter into this Agreement and the other Transaction Documents to which Investor is a party, to carry out its obligations hereunder and thereunder and to consummate the transactions contemplated hereby and thereby. The execution and delivery by Investor of this Agreement and any other Transaction Document to which Investor is a party, the performance by Investor of its obligations hereunder and thereunder and the consummation by Investor of the transactions contemplated hereby and thereby have been duly authorized by all requisite company action on the part of Investor. This Agreement has been duly executed and delivered by Investor, and (assuming due authorization, execution and delivery by the Company) this Agreement constitutes a legal, valid and binding obligation of Investor enforceable against Investor in accordance with its terms. When each other Transaction Document to which Investor is or will be a party has been duly executed and delivered by Investor (assuming due authorization, execution and delivery by each other party

thereto), such Transaction Document will constitute a legal and binding obligation of Investor enforceable against it in accordance with its terms.

Section 4.2. No Conflicts; Consents. The execution, delivery and performance by Investor of this Agreement and the other Transaction Documents to which it is a party, and the consummation of the transactions contemplated hereby and thereby, do not and will not: (a) conflict with or result in a violation or breach of, or default under, any provision of the articles of organization, operating agreement or other organizational documents of Investor; (b) conflict with or result in a violation or breach of any provision of any Law or Governmental Order applicable to Investor; or (c) require the consent, notice or other action by any Person under any Contract to which Investor is a party. Except as set forth in **Section 4.2** of the Investor Disclosure Schedules [Omitted pursuant to Item 601(a)(5) of Regulation S-K], no consent, approval, Permit, Governmental Order, declaration or filing with, or notice to, any Governmental Authority is required by or with respect to Investor in connection with the execution and delivery of this Agreement and the other Transaction Documents and the consummation of the transactions contemplated hereby and thereby.

Section 4.3. Investment Purpose; Sufficiency of Funds. Investor is an accredited investor as defined in Rule 501(a) of Regulation D promulgated under the Securities Act. Investor is acquiring the Shares solely for its own account for investment purposes and not with a view to, or for offer or sale in connection with, any distribution thereof. Investor acknowledges that the Shares are not registered under the Securities Act or any state securities laws, and that the Shares may not be transferred or sold except pursuant to the registration provisions of the Securities Act or pursuant to an applicable exemption therefrom and subject to state securities laws and regulations, as applicable. Investor understands that the Shares and any securities issued in respect of or in exchange for the Shares may be noted with a legend required by the Securities Act or any other federal or state securities Laws to the extent such Laws are applicable to the Shares represented by the certificate, instrument, or book entry so legended. Investor has sufficient cash on hand or other sources of immediately available funds to enable it to make the cash payments required hereunder to consummate the transactions contemplated in the Transaction Documents including, without limitation, the Initial Shares Purchase Price and the Milestone Shares Purchase Price.

Section 4.4. Brokers; No General Solicitation. No broker, finder or investment banker is entitled to any brokerage, finder's or other fee or commission in connection with the transactions contemplated by this Agreement or any other Transaction Document based upon arrangements made by or on behalf of Investor. Neither the Investor, nor any of its officers, directors, employees, agents, stockholders or partners has either directly or indirectly, including, through a broker or finder (a) engaged in any general solicitation, or (b) published any advertisement in connection with the offer and sale of the Shares.

Section 4.5. Legal Proceedings. There are no Actions pending or, to Investor's knowledge, threatened against or by Investor or any Affiliate of Investor that challenge or seek to prevent, enjoin or otherwise delay the transactions contemplated by this Agreement. No event has occurred or circumstances exist that may give rise or serve as a basis for any such Action.

Section 4.6. Disclosure of Information; Investment Experience. Investor has had an opportunity to discuss the Company's business, management, financial affairs and the terms and conditions of the offering of the Shares with the Company's management and has had an opportunity to review the Company's facilities. The foregoing, however, does not limit or modify the representations and warranties of the Company in **Article III** of this Agreement or the right of Investor to rely thereon. Investor has substantial experience in evaluating and investing in companies in the Company's industry, and has such knowledge and experience in financial or business matters so that it is capable of evaluating the merits and risks of its investment in the Company and protecting its own interests. Investor understands and acknowledges that its investment in the Company is highly speculative and involves substantial risks and Investor can bear the economic risk of its investment hereunder and is able, without impairing its financial condition, to hold the Shares for an indefinite period of time and to suffer a complete loss of its investment.

Section 4.7. No Bad Actors. (i) Investor has exercised reasonable care to determine whether any Disqualification Event is applicable to Investor or Investor's Rule 506(d) Related Parties, except, if applicable, for a Disqualification Event as to which Rule 506(d)(2)(ii) or (iii) or (d)(3) is applicable and (ii) no Disqualification Event is applicable to the Investor, or any of Investor's Rule 506(d) Related Parties, except, if applicable, for a Disqualification Event as to which Rule 506(d)(2)(ii) or (iii) or (d)(3) is applicable.

ARTICLE V.
COVENANTS

Section 5.1. Conduct of Business Prior to the Closing.

(a) From the date hereof until the Initial Closing, except as otherwise provided in this Agreement, in the Management Agreement or consented to in writing by Investor (which consent shall not be unreasonably withheld, delayed or conditioned), the Company Parties shall, (1) conduct the Business of the Company in the Ordinary Course of Business; and (2) use commercially reasonable efforts to maintain and preserve intact the current organization, Business and franchise of the Company and to preserve the rights, franchises, goodwill and relationships of its employees, customers, lenders, suppliers, regulators and others having business relationships with the Company. Without limiting the foregoing, from the date hereof until the MSA Effective Date, the Company Parties shall, and subsequent to the MSA Effective Date until the Initial Closing the Company Parties shall, in accordance with the Management Agreement, use commercially reasonable efforts to assist Investor or Investor's Affiliate to:

(i) cause the Company to preserve, maintain and perform in compliance with all of its Permits;

(ii) cause the Company to pay its debts, Taxes and other obligations when due;

(iii) cause the Company to maintain the properties and assets owned, operated or used by the Company in substantially the same condition as they were on the Agreement Date, subject to reasonable wear and tear;

(iv) cause the Company to continue in full force and effect without modification all Insurance Policies, except as required by applicable Law;

(v) cause the Company to defend and protect its properties and assets from infringement or usurpation;

(vi) cause the Company to perform all of its obligations under all Material Contracts;

(vii) cause the Company to maintain its books and records in accordance with past practice;

(viii) cause the Company to comply in all material respects with all applicable Laws;

(ix) except as required by any applicable Law, cause the Company to continue to operate all retail locations currently open and to use commercially reasonable efforts to timely open any additional retail locations scheduled to be opened within the next 12 months; and

(x) except as required by any applicable Law, cause the Company to continue all growing, processing and manufacturing activities currently being undertaken by the Company.

(b) From the Agreement Date until the Closing, the Company Parties shall cause the Company not to take or permit any of the following actions without Investor's prior written consent, unless such actions are otherwise permitted and in accordance with the Management Agreement:

(i) declare, set aside, or pay any dividend or make any distribution with respect to the equity of the Company or redeem, purchase, or otherwise acquire any of the equity of the Company;

(ii) authorize for issuance, issue, sell, pledge, grant, encumber or deliver or agree or commit to issue, sell, pledge, grant, encumber or deliver any Equity Equivalents of the Company;

(iii) amend or change any of the Company's organizational documents;

(iv) incur any material obligation or liability (individually or in the aggregate) other than for Transaction Expenses or incur any indebtedness for borrowed money, make any loans or advances, or assume, guarantee or endorse or otherwise become responsible for the obligations of any other Person;

(v) (i) enter into any significant new line of business, or incur or commit to incur any capital expenditures or Liabilities in connection therewith or (ii) abandon or discontinue any significant existing lines of business;

(vi) except as required by any applicable Law, apply for any new Permits pursuant to State and Local Cannabis Laws or abandon any pending applications for Permits applied for under State and Local Cannabis Laws;

(vii) acquire any business whether by merger or consolidation, purchase of assets or equity securities or any other manner;

(viii) any action that would cause any of the changes, events or conditions described in **Section 3.6** to occur; or

(ix) commit to do any of the foregoing referred to in clauses (i)–(viii).

Section 5.2. Access to Information. From the date hereof until the MSA Effective Date, the Company Parties shall (a) afford Investor and its Representatives access to and the right to inspect all of the Real Property, properties, assets, premises, books and records, Contracts and other documents and data related to the Company at mutually acceptable times and without undue disruption to the Ordinary Course of Business of the Company or interference with the Company's contractual relationships; (b) furnish Investor and its Representatives with such legal, financial, operating and other data and information related to the Company as Investor or any of its Representatives may reasonably request; and (c) cooperate with Investor in its investigation of the Company; provided, however that any such investigation shall be conducted during normal business hours upon reasonable advance notice to Company Parent, under the supervision of Company Parent's designated Representatives and in such a manner as not to interfere with the conduct of the Business or any other businesses of the Company or Company Parent. All requests by Investor for access pursuant to this **Section 5.2** shall be submitted or directed exclusively to [***] or such other individuals as Company Parent may designate in writing from time to time. Notwithstanding anything to the contrary in this Agreement, no Company Party shall be required to disclose any information to Investor if such disclosure would, in Company Parent's reasonable discretion: (w) cause significant competitive harm to a Company Party and its businesses, including the Business, if the transactions contemplated by this Agreement are not consummated; (x) jeopardize any attorney-client privilege; (y) contravene any applicable Law, fiduciary duty or material binding agreement entered into prior to the date of this Agreement; or (z) reveal bids received from third parties in connection with transactions similar to those contemplated by this Agreement and any written analysis (including financial analysis) relating to such bids. Prior to the MSA Effective Date, without the prior written consent of a Company Party and unless in the presence of a designated Representative of Company Parent, Investor shall not contact or otherwise communicate with any employee of a Company Party or any third party contracting with the Company and Investor shall have no right to perform invasive or subsurface investigations of the Real Property. Investor shall, and shall cause its Representatives to, abide by the terms of the Confidentiality Agreement with respect to any access or information provided pursuant to this **Section 5.2**. For avoidance of doubt, on and after the MSA Effective Date, the Investor shall have full access to and shall manage the Company in accordance with the terms of the Management Agreement.

Section 5.3. No Solicitation of Other Bids.

(a) From the Agreement Date until the termination of this Agreement, Company Parent shall not, and shall not authorize or permit any of its Affiliates (including the Company) or any of its or their Representatives to, directly or indirectly, (i) encourage, solicit, initiate, facilitate or continue inquiries regarding an Acquisition Proposal (as defined below); (ii) enter into discussions or negotiations with, or provide any information to, any Person concerning a possible Acquisition Proposal; or (iii) enter into any agreements or other instruments (whether or not binding) regarding an Acquisition Proposal. Company Parent shall immediately cease and cause to be terminated, and shall cause its Affiliates (including the Company) and all of their respective Representatives to immediately cease and cause to be terminated, all existing discussions or negotiations with any Persons conducted heretofore with respect to an Acquisition Proposal. For purposes hereof, "**Acquisition Proposal**" shall mean any proposal or offer from any Person (other than Investor or any of its Affiliates) concerning (A) a merger, consolidation, liquidation, recapitalization, share exchange or other business combination transaction involving the Company; (B) the issuance or acquisition of shares of capital stock or other equity securities of the Company; or (C) the sale, lease, exchange or other disposition of any significant portion of the Company's properties or assets.

(b) In addition to the other obligations under this **Section 5.3**, the Company and/or Company Parent shall promptly (and in any event within three Business Days after receipt thereof by the Company, Company Parent or their Representatives) advise Investor orally and in writing of any Acquisition Proposal or any request for information with respect to any Acquisition Proposal received subsequent to the Agreement Date, the material terms and conditions of such request or Acquisition Proposal, and the identity of the Person making the same.

(c) Company Parent agrees that the rights and remedies for noncompliance with this **Section 5.3** shall include having such provision specifically enforced by any court having equity jurisdiction, it being acknowledged and agreed that any such breach or threatened breach may cause irreparable injury to Investor and that money damages would not provide an adequate remedy to Investor.

Section 5.4. Notice of Certain Events.

(a) From the date hereof until the final Closing, the Company Parties shall promptly notify Investor in writing of:

(i) any fact, circumstance, event or action occurring on or prior to the Initial Closing that becomes the Knowledge of the Company Parties, the existence, occurrence or taking of which (A) has had, or would reasonably be expected to have, a Material Adverse Effect, (B) has resulted in, or would reasonably be expected to result in, any representation or warranty made by the Company or Company Parent hereunder not being true and correct as of the MSA Effective Date (or, with respect to the Fundamental Representations, as of the Initial Closing), (C) has resulted in, or would reasonably be expected to result in, a breach by the Company or Company Parent of any covenant set forth in this Agreement, or (D) has resulted in,

or would reasonably be expected to result in, the failure of any of the conditions set forth in **Section 7.2** to be satisfied;

(ii) any notice or other communication received by a Company Party from any Person alleging that the consent of such Person is or may be required in connection with the transactions contemplated by this Agreement;

(iii) any notice or other communication, written or oral, to or from a Company Party or any of its Representatives and any Governmental Authority in connection with the transactions contemplated by this Agreement; and

(iv) any Actions commenced or, to Company's Knowledge, threatened against, relating to or involving or otherwise affecting the Company or Company Parent that, if pending on the Agreement Date, would have been required to have been disclosed pursuant to **Section 3.11** of the Disclosure Schedules [Omitted pursuant to Item 601(a)(5) of Regulation S-K], or that relates to the consummation of the transactions contemplated by this Agreement.

(b) Other than any supplements to the Company Disclosure Schedules provided by a Company Party in accordance with **Section 5.4(c)** below, Investor's receipt of information pursuant to this **Section 5.4** shall not modify the date upon which the representations in this Agreement are made, nor operate as a waiver or otherwise affect any representation, warranty or agreement given or made by the Company or Company Parent in this Agreement (including **Section 8.2** and **Section 9.1(b)**) and shall not be deemed to amend or supplement the Disclosure Schedules.

(c) Notwithstanding the foregoing, from the Agreement Date until the Initial Closing, the Company may provide to Investor supplements to the Company Disclosure Schedules solely to reflect events or circumstances occurring after the Agreement Date. Any such supplement shall not cure any prior breach and shall not limit the rights of the parties under ARTICLE VIII and ARTICLE IX.

Section 5.5. Resignations. The Company shall deliver to Investor written resignations and releases, in form and substance reasonably satisfactory to Investor and effective as of the Initial Closing Date (or at such later date as mutually agreed upon by the parties), of the officers and directors of the Company set forth on **Section 5.5** of the Disclosure Schedules [Omitted pursuant to Item 601(a)(5) of Regulation S-K].

Section 5.6. Confidentiality; Seller Intellectual Property.

(a) From and after the Closing, the Company Parties shall, and shall cause their Affiliates to, hold, and shall use commercially reasonable efforts to cause its or their respective Representatives to hold, in confidence any and all information, whether written or oral, concerning the Company, except to the extent that the Company Parties can show that such information (i) is generally available to and known by the public through no fault of any Company Party or any of their respective Affiliates or Representatives; or (ii) is lawfully acquired by the Company Parties or any of their respective Affiliates or Representatives from and after the Closing from sources which are not prohibited from disclosing such information by a legal, contractual or fiduciary obligation. If the Company Parties or any of their respective

Affiliates or Representatives are compelled to disclose any information by judicial or administrative process or by other requirements of Law, to the extent permitted, the Company Parties shall promptly notify Investor in writing and shall disclose only that portion of such information which the Company Parties are advised by counsel to be disclosed, provided that the Company Parties shall use commercially reasonable efforts to obtain an appropriate protective order or other reasonable assurance that confidential treatment will be accorded such information. Prior to the Closing, the parties' respective rights and obligations related to all nonpublic information of the other party shall be governed by and subject to the Mutual Non-Disclosure Agreement between Investor and an Affiliate of Company Parent dated August 27, 2020 (the "**NDA**").

(b) From and after the later of (i) the Initial Closing and (ii) the date upon which the parties receive approval of a change of name or "doing business as" registration of the Company from the State of New York's Department of Health (the "**Name Change Approval**"), but in no event later than 180 days after the Initial Closing (such date, the "**Name Change Approval Date**"), any and all licenses or grant of rights previously made by Company Parent or its Affiliates in and to the Company Parent Intellectual Property in favor of the Company, shall be terminated in their entirety. From and after the Name Change Approval Date, the Company, Investor and its Affiliates shall not, and shall not permit the Company to, use any Company Parent Intellectual Property unless Company Parent expressly grants a license, in writing, to the Company, Investor or its Affiliates to use any such Company Parent Intellectual Property. Company Parent reserves all rights in and to the Company Parent Intellectual Property and nothing in this Agreement shall be construed as a license or grant of right of any kind by Company Parent with respect to the Company Parent Intellectual Property. On the Name Change Approval Date, Investor shall cause the Company to immediately remove all references to "MedMen" or other Company Parent Intellectual Property in the signage used by the Company at any locations where the Company conducts its business, including, without limitation, any references to "MedMen" or other Company Parent Intellectual Property on the websites of the Company, and shall not otherwise in any way indicate any affiliation with Company Parent or its Affiliates unless pursuant to a written agreement between Company Parent, on the one hand, or Investor, the Company and their respective Affiliates, on the other hand. To the extent that there is no such license granted in writing, from the Agreement Date through the Name Change Approval Date, the Company Parent hereby grants a limited license to the Company to use the name "MedMen" in connection with the operation of the Business in the ordinary course. If the parties do not receive the Name Change Approval on or prior to the date that is 180 days after the Initial Closing, the parties agree to negotiate in good faith a license agreement for the Company's continued use of the name "MedMen."

Section 5.7. Non-solicitation.

(a) For a period of [***] years commencing on the Initial Closing Date (the "**Restricted Period**"), Company Parent shall not, and shall not permit any of its Affiliates to, directly or indirectly, solicit any employee of the Company or encourage any such employee to leave such employment except pursuant to a general solicitation which is not directed specifically to any such employees; for clarity, nothing in this **Section 5.7(a)** shall prevent

Company Parent or any of its Affiliates from hiring any employee whose employment has been terminated by the Company or Investor.

(b) From the Agreement Date and continuing during the Restricted Period, Investor and Investor Parent shall not, and shall not permit any of their Affiliates to, directly or indirectly, solicit any employee of Company Parent or its Affiliates (other than the Company) or encourage any such employee to leave such employment except pursuant to a general solicitation which is not directed specifically to any such employee employees; for clarity, nothing in this Section 5.7(b) shall prevent Investor or Investor Parent or any of their Affiliates from hiring any employee whose employment has been terminated by the Company Parent.

(c) Company Parent acknowledges that a breach or threatened breach of **Section 5.3**, **Section 5.6** or this **Section 5.7** may give rise to irreparable harm to Investor, for which monetary damages may not be an adequate remedy, and hereby agrees that in the event of a breach or a threatened breach by Company Parent of any such obligations, Investor shall, in addition to any and all other rights and remedies that may be available to it in respect of such breach, be entitled to equitable relief, including a temporary restraining order, an injunction, specific performance and any other relief that may be available from a court of competent jurisdiction (without any requirement to post bond).

(d) Company Parent acknowledges that the restrictions contained in this **Section 5.7** are reasonable and necessary to protect the legitimate interests of Investor and constitute a material inducement to Investor to enter into this Agreement and consummate the transactions contemplated by this Agreement. In the event that any covenant contained in this **Section 5.7** should ever be adjudicated to exceed the time, geographic, product or service, or other limitations permitted by applicable Law in any jurisdiction, then any court is expressly empowered to reform such covenant, and such covenant shall be deemed reformed, in such jurisdiction to the maximum time, geographic, product or service, or other limitations permitted by applicable Law. The covenants contained in this **Section 5.7** and each provision hereof are severable and distinct covenants and provisions. The invalidity or unenforceability of any such covenant or provision as written shall not invalidate or render unenforceable the remaining covenants or provisions hereof, and any such invalidity or unenforceability in any jurisdiction shall not invalidate or render unenforceable such covenant or provision in any other jurisdiction.

Section 5.8. Governmental Approvals and Consents.

(a) The parties shall, no later than the close of business on March 8, 2021, submit a request to the DOH for approval of the transactions contemplated in this Agreement. Without limiting the foregoing, each party hereto shall, as promptly as possible (i) make, or cause or be made, all filings and submissions required under any Law applicable to such party or any of its Affiliates; and (ii) use commercially reasonable efforts to obtain, or cause to be obtained, all Permits, consents, authorizations, orders and approvals from all Governmental Authorities that may be or become necessary for its execution and delivery of this Agreement and the performance of its obligations pursuant to this Agreement and the other Transaction Documents. Each party shall cooperate fully with the other party and its Affiliates in promptly seeking to obtain all such consents, authorizations, orders and approvals. The parties hereto shall not willfully take any action that will have the effect of delaying, impairing or impeding the

receipt of any required Permits, consents, authorizations, orders and approvals, and shall provide complete and accurate information to all Governmental Authorities upon request. Investor shall not request any change or modification to any Permit or Governmental Order applicable to the Company without the written consent of the Company. The Company shall not be obligated to consent to any such requested change or modification to any Permit or authorization from any Governmental Authority that would be applicable to the Company if a Closing does not occur.

(b) The Company, Company Parent and Investor shall use commercially reasonable efforts to give all notices to, and obtain all consents from, all third parties that are described in **Section 3.3** of the Disclosure Schedules [Omitted pursuant to Item 601(a)(5) of Regulation S-K].

(c) Without limiting the generality of the parties' undertakings pursuant to subsections (a) and (b) above, each of the parties hereto shall use all commercially reasonable efforts to:

(i) respond to any inquiries by any Governmental Authority regarding any matters with respect to the transactions contemplated by this Agreement or any Transaction Document;

(ii) avoid the imposition of any Order or the taking of any action that would restrain, alter or enjoin the transactions contemplated by this Agreement or any Transaction Document; and

(iii) in the event any Governmental Order adversely affecting the ability of the parties to consummate the transactions contemplated by this Agreement or any Transaction Document has been issued, to use commercially reasonable efforts to have such Governmental Order vacated or lifted.

(d) If any consent, approval or authorization necessary to preserve any right or benefit under any Contract to which the Company is a party is not obtained prior to the Closing, Company Parent shall, subsequent to the Closing, cooperate with Investor and the Company in attempting to obtain such consent, approval or authorization as promptly thereafter as reasonably practicable and at the expense of Investor. If such consent, approval or authorization cannot be obtained, Company Parent shall use commercially reasonable efforts to provide the Company with the rights and benefits of the affected Contract for the term thereof at Investor's cost and expense, and, if Company Parent provides such rights and benefits, the Company shall assume all obligations and burdens thereunder.

(e) All analyses, appearances, meetings, discussions, presentations, memoranda, briefs, filings, arguments, proposals and other communications made by or on behalf of either party before any Governmental Authority or the staff or regulators of any Governmental Authority, in connection with the transactions contemplated hereunder shall be disclosed to the other party hereunder in advance of any filing, submission or attendance, it being the intent that the parties will consult and cooperate with one another, and consider in good faith the views of one another, in connection with any such analyses, appearances, meetings, discussions, presentations, memoranda, briefs, filings, arguments, proposals or other

communications. Each party shall give prior notice to the other party with respect to any meeting, discussion, appearance or contact with any Governmental Authority or the staff or regulators of any Governmental Authority, with such notice being sufficient to provide the other party with the opportunity to attend and participate in such meeting, discussion, appearance or contact.

Section 5.9. Books and Records.

(a) In order to facilitate the resolution of any claims made against or incurred by the Company prior to the Closing, or for any other reasonable purpose, for a period of [***] years after the Closing or such later period as may be mandated by applicable Law, Investor shall:

(i) retain the books and records (including personnel files) of the Company relating to periods prior to the Closing in a manner reasonably consistent with the prior practices of the Company; and

(ii) upon reasonable notice, afford Company Parent reasonable access (including the right to make, at Company Parent's expense, photocopies), during normal business hours, to such books and records; *provided*, *however*, that any books and records related to Tax matters shall be retained pursuant to the periods set forth in **Article VI**.

(b) In order to facilitate the resolution of any claims made by or against or incurred by Investor or the Company after the Closing, or for any other reasonable purpose, for a period of six years following the Closing or such later period as may be mandated by applicable Law, Company Parent shall:

(i) retain the books and records (including personnel files) of the Company which relate to the Company and its operations for periods prior to the Closing; and

(ii) upon reasonable notice, afford the Representatives of Investor or the Company reasonable access (including the right to make, at Investor's expense, photocopies), during normal business hours, to such books and records; provided, however, that any books and records related to Tax matters shall be retained pursuant to the periods set forth in **Article VI**.

(c) Neither Investor nor any Company Party shall be obligated to provide the other party with access to any books or records (including personnel files) pursuant to this **Section 5.9** where such access would violate any Law or any applicable attorney-client privilege.

Section 5.10. Operating Costs. For the avoidance of doubt, the Company shall be responsible for all Operating Costs arising on or prior to the Agreement Date, whether or not such obligations are satisfied as of the Agreement Date. To the extent any such obligations are not satisfied as of the Agreement Date such obligations shall be included as a Current Liability in the calculation of Net Working Capital as of the Agreement Date. From time to time following the Agreement Date, Investor shall advance (the "**Working Capital Advance**") to the Company sufficient funds to fund all Operating Costs arising after the Agreement Date, pursuant to the terms of an advance agreement substantially in the form attached hereto as Exhibit C (the

"**Advance Agreement**"). At the Initial Closing, the Working Capital Advance shall convert into shares of Common Stock in full satisfaction of all obligations owing thereunder.

Section 5.11. Closing Conditions. From the date hereof until the Closing, each party hereto shall use commercially reasonable efforts to take such actions as are necessary to expeditiously satisfy the closing conditions set forth in **Article VII** hereof.

Section 5.12. Public Announcements. Unless otherwise contemplated in **Section 5.8** hereof, or required by applicable Law or stock exchange requirements (based upon the reasonable advice of counsel and upon reasonable notice and collaboration with the other party), no party to this Agreement shall make any public announcements in respect of this Agreement or the transactions contemplated hereby or otherwise communicate with any news media without the prior written consent of the other party (which consent shall not be unreasonably withheld, delayed or conditioned), and the parties shall cooperate as to the timing and contents of any such announcement.

Section 5.13. Further Assurances. Following the Closing, each of the parties hereto shall, and shall cause their respective Affiliates to, execute and deliver such additional documents, instruments, conveyances and assurances and take such further actions as may be reasonably required to carry out the provisions hereof and give effect to the transactions contemplated by this Agreement.

ARTICLE VI.
TAX MATTERS

Section 6.1. Tax Covenants.

(a) Without the prior written consent of Investor, Company Parent (and, prior to the MSA Effective Date, the Company, its Affiliates and their respective Representatives) shall not, to the extent it may affect, or relate to, the Company, make, change or rescind any Tax election, deduct any expenses in violation of Section 280E of the Code, amend any Tax Return or take any position on any Tax Return, take any action, omit to take any action or enter into any other transaction that would reasonably be considered to have the effect of increasing the Tax liability or reducing any Tax asset of Investor or the Company in respect of any Pre-Closing Tax Period. Company Parent and the Company agree that Investor is to have no liability for any Tax resulting from any pre-Agreement Date action of the Company, its Affiliates or any of their respective Representatives, and agree to indemnify and hold harmless Investor (and, after the Initial Closing Date, the Company) against any such Tax or reduction of any Tax asset. It is understood and agreed that no officers and Employees of the Company prior to the Initial Closing shall be "Responsible Persons" for purposes of New York Tax Law Section 1133 for any Pre-Closing Tax Periods.

(b) All transfer, documentary, sales, use, stamp, registration, value added and other such Taxes and fees (including any penalties and interest) incurred in connection with the Investor's purchase of Shares pursuant to this Agreement (including any real property transfer Tax and any other similar Tax) shall be borne and paid by Investor when due. Investor shall, at

its own expense, timely file any Tax Return or other document with respect to such Taxes or fees (subject to prior review and approval of Investor if such filing is prior to the Initial Closing).

(c) Investor shall prepare, or cause to be prepared, all Tax Returns required to be filed by the Company after the Initial Closing Date with respect to a Pre-Agreement Tax Period. Any such Tax Return shall be prepared in a manner consistent with the memorandum provided in **Section 6.1(c)** of the Disclosure Schedules [Omitted pursuant to Item 601(a)(5) of Regulation S-K] and otherwise consistent with past practice (unless otherwise required by Law) and without a change of any election or any accounting method and shall be submitted by Investor to Company Parent (together with schedules, statements and, to the extent requested by Company Parent, supporting documentation) for Company Parent's approval at least 45 days prior to the due date (including extensions) of such Tax Return or, if the due date is sooner than 45 days, as soon as practical prior to such due date. If Company Parent objects to any item on any such Tax Return, Company Parent shall, within ten days after delivery of such Tax Return, notify Investor in writing of such objection, specifying with particularity any such item and stating the specific factual or legal basis for any such objection. If a notice of objection shall be duly delivered, Investor and Company Parent shall negotiate in good faith and use their commercially reasonable efforts to resolve such items. If Investor and Company Parent are unable to reach such agreement within ten days after receipt by Investor of such notice, the disputed items shall be resolved by the Independent Accountant, and any determination by the Independent Accountant shall be final. The Independent Accountant shall resolve any disputed items within twenty days of having the item referred to it pursuant to such procedures as it may require. If the Independent Accountant is unable to resolve any disputed items before the due date for such Tax Return, the Tax Return shall be filed as prepared by Investor and then amended to reflect the Independent Accountant's resolution. The costs, fees and expenses of the Independent Accountant shall be borne equally by Investor and Company Parent. Subsequent to the Initial Closing, the preparation and filing of any Tax Return of the Company with respect to the Post-Agreement Tax Period shall be exclusively within the control and responsibility of Investor.

Section 6.2. Termination of Existing Tax Sharing Agreements. Any and all existing Tax sharing agreements (whether written or not) binding upon the Company shall be terminated as of the Initial Closing Date. After such date none of the Company, Company Parent or any of their respective Affiliates or Representatives shall have any further rights or liabilities thereunder.

Section 6.3. Tax Indemnification. Company Parent shall indemnify Investor, and each Investor Indemnitee and hold them harmless from and against (a) any Loss attributable to any breach of or inaccuracy in any representation or warranty made in **Section 3.8**; (b) any Loss attributable to any breach or violation of, or failure to fully perform, any covenant, agreement, undertaking or obligation in this **Article VI**; (c) all Taxes of the Company or relating to the Business of the Company for all Pre-Agreement Tax Periods; (d) all Taxes of any member of an affiliated, consolidated, combined or unitary group of which the Company (or any predecessor of the Company) is or was a member on or prior to the Initial Closing Date by reason of a liability under Treasury Regulation Section 1.1502-6 or any comparable provisions of foreign, state or local Law; and (e) any and all Taxes of any person imposed on the Company arising under the

principles of transferee or successor liability or by contract, relating to an event or transaction occurring before the Agreement Date. In each of the above cases, together with any documented out-of-pocket fees and expenses (including reasonable third-party attorneys' and accountants' fees) incurred in connection therewith. Investor shall indemnify Company Parent, and each Company Parent Indemnitee and hold them harmless from and against (i) any Loss attributable to any breach or violation of, or failure to fully perform, any covenant, agreement, undertaking or obligation in this **Article VI**; (ii) all Taxes of the Company or relating to the Business of the Company for all Post-Agreement Tax Periods; (iii) all Taxes of any member of an affiliated, consolidated, combined or unitary group of which the Investor (or any predecessor of the Investor) is or was a member on or prior to the Initial Closing Date by reason of a liability under Treasury Regulation Section 1.1502-6 or any comparable provisions of foreign, state or local Law; and (iv) any and all Taxes of any person imposed on the Company arising under the principles of transferee or successor liability or by contract, relating to an event or transaction occurring after the Agreement Date. In each of the above cases, together with any documented out-of-pocket fees and expenses (including reasonable third-party attorneys' and accountants' fees) incurred in connection therewith.

Section 6.4. Straddle Period. In the case of Taxes that are payable with respect to a taxable period that begins before and ends after the Agreement Date (each such period, a "**Straddle Period**"), the portion of any such Taxes that are treated as Pre-Agreement Taxes for purposes of this Agreement shall be:

(a) in the case of Taxes (i) based upon, or related to, income, receipts, profits, wages, capital or net worth, (ii) imposed in connection with the sale, transfer or assignment of property, or (iii) required to be withheld, deemed equal to the amount which would be payable if the taxable year ended with the Agreement Date; and

(b) in the case of other Taxes, deemed to be the amount of such Taxes for the entire period multiplied by a fraction the numerator of which is the number of days in the period ending on the Agreement Date and the denominator of which is the number of days in the entire period.

Section 6.5. Contests. Investor agrees to give written notice to Company Parent of the receipt of any written notice by the Company, Investor or any of Investor's Affiliates which involves the assertion of any claim, or the commencement of any Action, in respect of which an indemnity may be sought by Investor pursuant to this **Article VI** (a "**Tax Claim**"); provided, that failure to comply with this provision shall not affect Investor's right to indemnification hereunder, except to the extent Company Parent is prejudiced by Investor's failure to provide the requisite notice. Company Parent shall have the right, at its own expense, to elect in writing, within twenty days of receiving notice of any Tax Claim with respect to any material Pre-Agreement Taxes to control the contest or resolution of any such Tax Claim; provided, however, that for any such Tax Claim that could result in any Loss to Investor or the Company for any Post-Agreement Tax Period: (a) Company Parent shall keep Investor fully and timely informed of the progress of such Tax Claim; (b) Company Parent shall permit Investor to review and comment on all written submissions made to any administrative or judicial body in connection with such Tax Claim and attend all administrative and judicial proceedings relating to each such

Tax Claim; and (c) Company Parent shall not be permitted to settle or compromise such Tax Claim without the prior written consent of Investor (which consent shall not be unreasonably withheld or delayed). If Company Parent fails within the twenty day period described in this **Section 6.5** to respond to any notice of a Tax Claim, or fails to participate in any contest of a Tax Claim, in either case which Company Parent has the right to control pursuant to this **Section 6.5**, then Investor shall control the contest or resolution of any Tax Claim; provided, however, that Investor shall obtain the prior written consent of Company Parent (which consent shall not be unreasonably withheld or delayed) before entering into any settlement of any such Tax Claim or ceasing to defend such Tax Claim; and, provided further, that Company Parent shall have the continuing right to participate in the contest of such Tax Claim and Investor shall take in good faith all comments reasonably made by Company Parent into consideration. In any contest of a Tax Claim, each party shall bear its own costs and expenses related to such contest; provided, that Company Parent shall bear all such costs and expenses that are indemnifiable by Company Parent pursuant to **Section 6.3** hereof.

Section 6.6. Cooperation and Exchange of Information. Company Parent and Investor shall provide each other with such cooperation and information as either of them reasonably may request of the other in filing any Tax Return pursuant to this **Article VI** or in connection with any audit or other proceeding in respect of Taxes of the Company. Such cooperation and information shall include providing copies of relevant Tax Returns or portions thereof, together with accompanying schedules, related work papers and documents relating to rulings or other determinations by tax authorities. Each of Company Parent and Investor shall retain all Tax Returns, schedules and work papers, records and other documents in its possession relating to Tax matters of the Company for any taxable period beginning before the Initial Closing Date until the expiration of the statute of limitations of the taxable periods to which such Tax Returns and other documents relate, without regard to extensions except to the extent notified by the other party in writing of such extensions for the respective Tax periods. Prior to transferring, destroying or discarding any Tax Returns, schedules and work papers, records and other documents in its possession relating to Tax matters of the Company for any taxable period beginning before the Initial Closing Date, Company Parent or Investor (as the case may be) shall provide the other party with reasonable written notice and offer the other party the opportunity to take custody of such materials.

Section 6.7. Tax Treatment of Indemnification Payments. Any indemnification payments pursuant to this **ARTICLE VI** shall be treated as an adjustment to the Base Cash Purchase Price by the parties for Tax purposes, unless otherwise required by Law.

Section 6.8. Survival. Notwithstanding anything in this Agreement to the contrary, the provisions of **Section 3.8** and this **ARTICLE VI** shall survive for the full period of all applicable statutes of limitations (giving effect to any waiver, mitigation or extension thereof) plus 60 days.

Section 6.9. Overlap. To the extent that any obligation or responsibility pursuant to **ARTICLE VIII** may overlap with an obligation or responsibility pursuant to this **ARTICLE VI**, the provisions of this **ARTICLE VI** shall govern.

ARTICLE VII.
CONDITIONS TO CLOSING

Section 7.1. Conditions to Obligations of All Parties. The obligations of each party to consummate the transactions contemplated by this Agreement shall be subject to the fulfillment, at or prior to the Closing, of each of the following conditions:

(a) No Governmental Authority shall have enacted, issued, promulgated, enforced or entered any Governmental Order which is in effect and has the effect of making the transactions contemplated by this Agreement illegal, otherwise limiting, restraining or prohibiting consummation of such transactions or causing any of the transactions contemplated hereunder to be rescinded following completion thereof.

(b) The Company shall have received all consents, authorizations, orders and approvals from the Governmental Authorities referred to in **Section 3.3** and Investor shall have received all consents, authorizations, orders and approvals from the Governmental Authorities referred to in **Section 4.2**, in each case, in form and substance reasonably satisfactory to Investor and the Company, and no such consent, authorization, order and approval shall have been revoked. Without limitation of the foregoing, Investor and the Company shall have received all necessary consents, authorizations, orders, approvals and Permits from the Governmental Authorities approving Investor's purchase of the Shares as contemplated hereunder, including, without limitation those referred to in **Section 5.8**.

Section 7.2. Conditions to Obligations of Investor. The obligations of Investor to consummate the transactions contemplated by this Agreement shall be subject to the fulfillment or Investor's waiver, at or prior to the Initial Closing, of each of the following conditions:

(a) Other than the representations and warranties of the Company and Company Parent contained in **Section 3.1**, **Section 3.2**, **Section 3.3**, **Section 3.4** and **Section 3.19**, the representations and warranties of the Company and Company Parent contained in this Agreement, the other Transaction Documents and any certificate or other writing delivered pursuant hereto shall be true and correct in all respects (in the case of any representation or warranty qualified by materiality or Material Adverse Effect) or in all material respects (in the case of any representation or warranty not qualified by materiality or Material Adverse Effect) on and as of the Agreement Date and on and as of the MSA Effective Date. The representations and warranties of the Company and Company Parent contained in **Section 3.1**, **Section 3.2**, **Section 3.3**, **Section 3.4** and **Section 3.19** shall be true and correct in all respects on and as of the Agreement Date and the Initial Closing Date.

(b) The Company and Company Parent shall have duly performed and complied in all material respects with all agreements, covenants and conditions required by this Agreement and each of the other Transaction Documents to be performed or complied with by the Company or Company Parent prior to or on the Initial Closing Date.

(c) No Action shall have been commenced against Investor, Company Parent or the Company, which would prevent the Closing. No injunction or restraining order shall have been issued by any Governmental Authority, and be in effect, which restrains or prohibits any transaction contemplated hereby.

(d) All approvals, consents and waivers that are listed on **Section 3.3** of the Disclosure Schedules [Omitted pursuant to Item 601(a)(5) of Regulation S-K] shall have been received, and executed counterparts thereof shall have been delivered to Investor at or prior to the Closing.

(e) From the Agreement Date through the Initial Closing Date, there shall not have occurred any Material Adverse Effect, nor shall any event or events have occurred that, with or without the lapse of time, would reasonably be expected to result in a Material Adverse Effect (in either case, other than any Material Adverse Effect or event, as the case may be, occurring between the Agreement Date and the Initial Closing that is caused by or authorized by the Investor (or its Affiliate) in connection with Investor's performance under the Management Agreement).

(f) The Transaction Documents (other than this Agreement) shall have been executed and delivered by the parties thereto and true and complete copies thereof shall have been delivered to Investor.

(g) Investor shall have received a certificate, dated the Initial Closing Date and signed by a duly authorized officer of the Company, that each of the conditions set forth in (a), (b) and (e) has been satisfied.

(h) Investor shall have received a certificate of the Secretary or an Assistant Secretary (or equivalent officer) of the Company certifying that attached thereto are true and complete copies of all resolutions adopted by the board of directors of the Company authorizing the execution, delivery and performance of this Agreement and the other Transaction Documents and the consummation of the transactions contemplated hereby and thereby, and that all such resolutions are in full force and effect and are all the resolutions adopted in connection with the transactions contemplated hereby and thereby.

(i) Investor shall have received a certificate of the Secretary or an Assistant Secretary (or equivalent officer) of the Company certifying the names and signatures of the officers of the Company authorized to sign this Agreement, the Transaction Documents and the other documents to be delivered hereunder and thereunder.

(j) Investor shall have received resignations and releases from the directors and officers of the Company pursuant to **Section 5.5**.

(k) The Company shall have delivered to Investor a good standing certificate (or its equivalent) for the Company from the secretary of state or similar Governmental Authority of the jurisdiction under the Laws in which the Company is organized.

(l) The Company shall have delivered to Investor a certificate pursuant to Treasury Regulations Section 1.1445-2(b) that the Company is not a foreign person within the meaning of Section 1445 of the Code.

(m) The Company shall have delivered to Investor a payoff letter, in form and substance satisfactory to Investor, indicating the amount necessary to discharge in full all obligations of the Company owed to all creditors other than the Senior Lender and an

undertaking each such creditor to discharge at the Initial Closing any Liens securing such indebtedness.

(n) Investor shall have an irrevocable option to purchase the Existing Shares, pursuant to an option agreement between Investor and Company Owner substantially in the form attached hereto as Exhibit D.

(o) Company Parent shall have delivered to Investor audited financial statements for the fiscal years ending December 31, 2018 and December 31, 2019 and auditor-reviewed interim carve-out consolidated financial statements for the Company.

(p) The Company shall have delivered to Investor such other documents or instruments as Investor reasonably requests and are reasonably necessary to consummate the transactions contemplated by this Agreement.

Section 7.3. Conditions to Obligations of the Company Parties. The obligations of the Company Parties to consummate the transactions contemplated by this Agreement shall be subject to the fulfillment or the Company's waiver, at or prior to the Closing, of each of the following conditions:

(a) Other than the representations and warranties of Investor contained in **Section 4.1** and **Section 4.4**, the representations and warranties of Investor contained in this Agreement, the other Transaction Documents and any certificate or other writing delivered pursuant hereto shall be true and correct in all respects (in the case of any representation or warranty qualified by materiality or Material Adverse Effect) or in all material respects (in the case of any representation or warranty not qualified by materiality or Material Adverse Effect) on and as of the date hereof and on and as of the Initial Closing Date with the same effect as though made at and as of such date (except those representations and warranties that address matters only as of a specified date, the accuracy of which shall be determined as of that specified date in all respects). The representations and warranties of Investor contained in **Section 4.1** and **Section 4.4** shall be true and correct in all respects on and as of the date hereof and on and as of the Initial Closing Date with the same effect as though made at and as of such date.

(b) Investor shall have duly performed and complied in all material respects with all agreements, covenants and conditions required by this Agreement and each of the other Transaction Documents to be performed or complied with by it prior to or on the Initial Closing Date; provided, that, with respect to agreements, covenants and conditions that are qualified by materiality, Investor shall have performed such agreements, covenants and conditions, as so qualified, in all respects.

(c) No Action shall have been commenced against the Company, Company Parent or Investor, which would prevent the Closing. No injunction or restraining order shall have been issued by any Governmental Authority, and be in effect, which restrains or prohibits any material transaction contemplated hereby.

(d) All approvals, consents and waivers that are listed on **Section 4.2** of the Disclosure Schedules [Omitted pursuant to Item 601(a)(5) of Regulation S-K] shall have been

received, and executed counterparts thereof shall have been delivered to the Company at or prior to the Closing.

(e) The Transaction Documents (other than this Agreement) shall have been executed and delivered by the parties thereto and true and complete copies thereof shall have been delivered to the Company and Company Parent, and the Closing Note shall have been executed and delivered by Investor to the Senior Lender.

(f) Payment of the Closing Cash Payment shall have been made to Senior Lender in accordance with **Section 2.3**.

(g) Investor shall have delivered to the Company such other documents or instruments as the Company reasonably request and are reasonably necessary to consummate the transactions contemplated by this Agreement.

ARTICLE VIII.
INDEMNIFICATION

Section 8.1. Survival. Subject to the limitations and other provisions of this Agreement, the representations and warranties contained herein (other than any representations or warranties contained in **Section 3.8** which are subject to **ARTICLE VI**, and referred to herein as the "**Tax Representations**") shall survive the Closing and shall remain in full force and effect until the date that is [***] from the Agreement Date (unless the Initial Closing does not occur on or prior to the date that is [***] following the Agreement Date, in which case the representations and warranties contained herein shall survive until the date that is [***] following the Initial Closing); provided, that the representations and warranties in **Section 3.1, Section 3.2, Section 3.3, Section 3.19**, with respect to the Company **Section 4.1, Section 4.2, Section 4.3, Section 4.4** and **Section 4.7** with respect to Investor (the "**Fundamental Representations**") shall survive for the full period of all applicable statutes of limitations (giving effect to any waiver, mitigation or extension thereof) plus 60 days. All covenants and agreements of the parties contained herein (other than any covenants or agreements contained in **ARTICLE VI** which are subject to **ARTICLE VI**) shall survive the Closing until fulfilled or for the period explicitly specified therein. Notwithstanding the foregoing, any claims asserted in good faith with reasonable specificity (to the extent known at such time) and in writing by notice from the non-breaching party to the breaching party prior to the expiration date of the applicable survival period shall not thereafter be barred by the expiration of the relevant representation or warranty and such claims shall survive until finally resolved.

Section 8.2. Indemnification by Company Parent. Subject to the other terms and conditions of this **ARTICLE VIII**, Company Parent, subject to the limitations set forth herein, shall indemnify and defend each of Investor and its Affiliates (including the Company) and their respective Representatives (collectively, the "**Investor Indemnitees**") against, and shall hold each of them harmless from and against, and shall pay and reimburse each of them for, any and all Losses incurred or sustained by, or imposed upon, the Investor Indemnitees based upon, arising out of, with respect to or by reason of:

(a) any inaccuracy in or breach of any of the representations or warranties of the Company Parties contained in this Agreement or in any certificate or instrument delivered by or on behalf of any Company Party pursuant to this Agreement (other than in respect of **Section 3.8**, it being understood that the sole remedy for any such inaccuracy in or breach thereof shall be pursuant to **Article VI**), as of the date such representation or warranty was made (except for representations and warranties that expressly relate to a specified date, the inaccuracy in or breach of which will be determined with reference to such specified date);

(b) any breach or non-fulfillment of any covenant, agreement or obligation to be performed by a Company Party pursuant to this Agreement (other than any breach or violation of, or failure to fully perform, any covenant, agreement, undertaking or obligation in **Article VI**, it being understood that the sole remedy for any such breach, violation or failure shall be pursuant to **Article VI**);

(c) any Company Debt Payoff Amounts, Transaction Expenses, Change in Control Payments, Excess Operating Costs or Operating Costs arising out of the operation of the Business prior to the Agreement Date, in each case to the extent not included in the Adjusted Cash Purchase Price as finally determined in accordance with **Section 2.4**;

(d) any fraud or intentional breach of this Agreement by any Company Party;

(e) any claims brought against the Company for failure to properly classify, on or prior to the Agreement Date, any employee or Contingent Worker in accordance with applicable Laws; and

(f) the matters set forth on **Schedule 8.2(f).**

Section 8.3. Indemnification by Investor. Subject to the other terms and conditions of this **Article VIII**, Investor shall indemnify and defend Company Parent and its Affiliates and Representatives (collectively, the "**Company Parent Indemnitees**") against, and shall hold each of them harmless from and against, and shall pay and reimburse each of them for, any and all Losses incurred or sustained by, or imposed upon, the Company Parent Indemnitees based upon, arising out of, with respect to or by reason of:

(a) any material inaccuracy in or breach of any of the representations or warranties of Investor contained in this Agreement or in any certificate or instrument delivered by or on behalf of Investor pursuant to this Agreement, as of the date such representation or warranty was made or as if such representation or warranty was made on and as of the Initial Closing Date (except for representations and warranties that expressly relate to a specified date, the inaccuracy in or breach of which will be determined with reference to such specified date);

(b) any breach or non-fulfillment of any covenant, agreement or obligation expressly required to be performed by Investor pursuant to this Agreement (other than **ARTICLE VI**, it being understood that the sole remedy for any such breach thereof shall be pursuant to **ARTICLE VI**);

(c) the Company's operation of the Business and continued use of the name "MedMen" following the Initial Closing; and

(d) any fraud or intentional breach of this Agreement by Investor.

Section 8.4. Certain Limitations. The indemnification provided for in **Section 8.2** and **Section 8.3** shall be subject to the following limitations:

(a) Company Parent shall not be liable to the Investor Indemnitees for indemnification under **Section 8.2(a)** until the aggregate amount of all Losses in respect of indemnification under **Section 8.2(a)** exceeds $[***] (the "**Deductible**"), in which event Company Parent shall be required to pay or be liable for all such Losses that exceed the Deductible. The aggregate amount of all Losses for which Company Parent shall be liable pursuant to **Section 8.2(a)** or **Section 8.2(e)** shall not exceed $[***] (the "**Cap**").

(b) Investor shall not be liable to the Company Parent Indemnitees for indemnification under **Section 8.3(a)** until the aggregate amount of all Losses in respect of indemnification under **Section 8.3(a)** exceeds the Deductible, in which event Investor shall be required to pay or be liable for all such Losses from the first dollar. The aggregate amount of all Losses for which Investor shall be liable pursuant to **Section 8.3(a)** shall not exceed the Cap.

(c) Notwithstanding the foregoing, the limitations set forth in **Section 8.4(a)** and **Section 8.4(b)** shall not apply to Losses based upon, arising out of, or resulting from (i) a party's breach of the Fundamental Representations or Tax Representations, or (ii) a party's criminal activity (except with respect to Federal Cannabis Laws), intentional misconduct or fraud.

(d) The obligation to provide indemnity by an Indemnifying Party pursuant to **Section 8.2(a)** and **Section 8.3(a)** in respect of any Losses shall be limited to the amount of any liability or damage that remains after deducting therefrom any insurance proceeds and any indemnity, contribution or other similar payment actually received by the Indemnified Party (including the Company) in respect of such claim.

(e) Notwithstanding any provision to the contrary herein or in the Certificate of Incorporation or by-laws of the Company, Company Parent shall not be entitled to indemnification from the Company for any Losses for which Company Parent shall be liable pursuant to this **ARTICLE VIII.**

Section 8.5. Indemnification Procedures. The party making a claim under this **ARTICLE VIII** is referred to as the "**Indemnified Party**", and the party against whom such claims are asserted under this **ARTICLE VIII** is referred to as the "**Indemnifying Party**".

(a) **Third Party Claims.** If any Indemnified Party receives notice of the assertion or commencement of any Action made or brought by any Person who is not a party to this Agreement or an Affiliate of a party to this Agreement or a Representative of the foregoing (a "**Third Party Claim**") against such Indemnified Party with respect to which the Indemnifying Party is obligated to provide indemnification under this Agreement, the Indemnified Party shall give the Indemnifying Party reasonably prompt written notice thereof, but in any event not later than 30 calendar days after receipt of such notice of such Third Party Claim. The failure to give such prompt written notice shall not, however, relieve the Indemnifying Party of its indemnification obligations, except and only to the extent that the Indemnifying Party forfeits

rights or defenses or is otherwise prejudiced by reason of such failure. Such notice by the Indemnified Party shall describe the Third Party Claim in reasonable detail, shall include copies of all material written evidence thereof and shall indicate the estimated amount, if reasonably practicable, of the Loss that has been or may be sustained by the Indemnified Party. The Indemnifying Party shall have the right to participate in, or by giving written notice to the Indemnified Party, to assume the defense of any Third Party Claim at the Indemnifying Party's sole cost and expense and by the Indemnifying Party's own counsel (subject to approval by the Indemnified Party which such approval shall not be unreasonably withheld, conditioned or delayed), and the Indemnified Party shall cooperate in good faith in such defense. In the event that the Indemnifying Party assumes the defense of any Third Party Claim, subject to **Section 8.5(b)**, it shall have the right to take such action as it deems necessary to avoid, dispute, defend, appeal or make counterclaims pertaining to any such Third Party Claim in the name and on behalf of the Indemnified Party. The Indemnified Party shall have the right to participate in the defense of any Third Party Claim with counsel selected by it subject to the Indemnifying Party's right to control the defense thereof. The fees and disbursements of such counsel shall be at the sole cost and expense of the Indemnified Party. If the Indemnifying Party elects not to compromise or defend such Third Party Claim, fails to promptly notify the Indemnified Party in writing of its election to defend as provided in this Agreement, or fails to diligently prosecute the defense of such Third Party Claim, the Indemnified Party may, subject to **Section 8.5(b)**, pay, compromise, defend such Third Party Claim and seek indemnification for any and all Losses based upon, arising from or relating to such Third Party Claim. Company Parent and Investor shall cooperate with each other in all reasonable respects in connection with the defense of any Third Party Claim, including making available (subject to the provisions of **Section 5.6**) records relating to such Third Party Claim and furnishing, without expense (other than reimbursement of actual out-of-pocket expenses) to the defending party, management employees of the non-defending party as may be reasonably necessary for the preparation of the defense of such Third Party Claim.

(b) **Settlement of Third Party Claims.** Notwithstanding any other provision of this Agreement, the Indemnifying Party shall not enter into settlement of any Third Party Claim without the prior written consent of the Indemnified Party, except as provided in this **Section 8.5(b)**, which consent shall not be unreasonably withheld, delayed or conditioned. If a firm offer is made to settle a Third Party Claim without leading to liability, admission of guilt or the creation of a financial or other obligation on the part of the Indemnified Party and provides, in customary form, for the unconditional release of each Indemnified Party from all liabilities and obligations in connection with such Third Party Claim and the Indemnifying Party desires to accept and agree to such offer, the Indemnifying Party shall give written notice to that effect to the Indemnified Party. If the Indemnified Party fails to consent to such firm offer within ten days after its receipt of such notice, the Indemnified Party may continue to contest or defend such Third Party Claim and in such event, the maximum liability of the Indemnifying Party as to such Third Party Claim shall not exceed the amount of such settlement offer. If the Indemnified Party fails to consent to such firm offer and also fails to assume defense of such Third Party Claim, the Indemnifying Party may settle the Third Party Claim upon the terms set forth in such firm offer to settle such Third Party Claim. If the Indemnified Party has assumed the defense pursuant to

Section 8.5(a), it shall not agree to any settlement without the written consent of the Indemnifying Party (which consent shall not be unreasonably withheld or delayed).

(c) **Direct Claims.** Any Action by an Indemnified Party on account of a Loss which does not result from a Third Party Claim (a "**Direct Claim**") shall be asserted by the Indemnified Party giving the Indemnifying Party reasonably prompt written notice thereof, but in any event not later than 30 days after the Indemnified Party becomes aware of such Direct Claim. The failure to give such prompt written notice shall not, however, relieve the Indemnifying Party of its indemnification obligations, except and only to the extent that the Indemnifying Party forfeits rights or defenses or is otherwise prejudiced by reason of such failure. Such notice by the Indemnified Party shall describe the Direct Claim in reasonable detail, shall include copies of all material written evidence thereof and shall indicate the estimated amount, if reasonably practicable, of the Loss that has been or may be sustained by the Indemnified Party. The Indemnifying Party shall have 30 days after its receipt of such notice to respond in writing to such Direct Claim. The Indemnified Party shall allow the Indemnifying Party and its professional advisors to investigate the matter or circumstance alleged to give rise to the Direct Claim, and whether and to what extent any amount is payable in respect of the Direct Claim and the Indemnified Party shall assist the Indemnifying Party's investigation by giving such information and assistance (including access to the Company's premises and personnel and the right to examine and copy any accounts, documents or records) as the Indemnifying Party or any of its professional advisors may reasonably request. If the Indemnifying Party does not so respond within such 30 day period, the Indemnifying Party shall be deemed to have rejected such claim, in which case the Indemnified Party shall be free to pursue such remedies as may be available to the Indemnified Party on the terms and subject to the provisions of this Agreement.

(d) **Tax Claims.** Notwithstanding any other provision of this Agreement, the control of any claim, assertion, event or proceeding in respect of Taxes of the Company (including, but not limited to, any such claim in respect of a breach of the representations and warranties in **Section 3.8** hereof or any breach or violation of or failure to fully perform any covenant, agreement, undertaking or obligation in **Article VI**) shall be governed exclusively by **Article VI** hereof.

Section 8.6. Payments. Once a Loss is agreed to by the Indemnifying Party or finally adjudicated to be payable pursuant to this **Article VIII**, the Indemnifying Party shall satisfy its obligations as follows:

(a) In the event that the Indemnifying Party is Company Parent, Company Parent shall pay the amount of such Loss by wire transfer of immediately available funds within 20 Business Days of the agreement or final adjudication of the applicable Loss.

(b) In the event that the Indemnifying Party is Investor, Investor shall pay the amount of such Loss to Company Parent by wire transfer of immediately available funds within 20 Business Days of the agreement or final adjudication of the applicable Loss.

Section 8.7. Tax Treatment of Indemnification Payments. All indemnification payments made under this Agreement shall be treated by the parties as an adjustment to the purchase price for Tax purposes, unless otherwise required by Law.

Section 8.8. Effect of Investigation. The representations, warranties and covenants of the Indemnifying Party, and the Indemnified Party's right to indemnification with respect thereto, shall not be affected or deemed waived by reason of any investigation made by or on behalf of the Indemnified Party (including by any of its Representatives) subsequent to the Agreement Date or by reason of the fact that, subsequent to the Agreement Date the Indemnified Party or any of its Representatives knew or should have known that any such representation or warranty is, was or might be inaccurate or by reason of the Indemnified Party's waiver of any condition set forth in **Section 7.2** or **Section 7.3**, as the case may be.

Section 8.9. Exclusive Remedies. Subject to **Section 5.7** and **Section 11.11**, the parties acknowledge and agree that their sole and exclusive remedy with respect to any and all claims (other than claims arising from fraud or criminal activity (except with respect to Federal Cannabis Laws), on the part of a party hereto in connection with the transactions contemplated by this Agreement) for any breach of any representation, warranty, covenant, agreement or obligation set forth herein or otherwise relating to the subject matter of this Agreement, shall be pursuant to the indemnification provisions set forth in **ARTICLE VI** and this **ARTICLE VIII**. In furtherance of the foregoing, each party hereby waives, to the fullest extent permitted under Law, any and all rights, claims and causes of action for any breach of any representation, warranty, covenant, agreement or obligation set forth herein or otherwise relating to the subject matter of this Agreement it may have against the other parties hereto and their Affiliates and each of their respective Representatives arising under or based upon any Law, except pursuant to the indemnification provisions set forth in **ARTICLE VI** and this **ARTICLE VIII**. Nothing in this **Section 8.9** shall limit any Person's right to seek and obtain any equitable relief to which any Person shall be entitled or to seek any remedy on account of any party's fraudulent, criminal or intentional misconduct.

ARTICLE IX.
TERMINATION

Section 9.1. Termination. This Agreement may be terminated at any time prior to the Closing:

(a) by the mutual written consent of the Company Parties and Investor;

(b) by Investor by written notice to the Company Parties if the conditions set forth in **Section 7.1** have been satisfied and:

(i) Investor is not then in material breach of any provision of this Agreement and there has been a breach, inaccuracy in or failure to perform any Fundamental Representation, covenant or agreement made by a Company Party pursuant to this Agreement that would give rise to the failure of any of the conditions specified in **ARTICLE VII** and such breach, inaccuracy or failure has not been cured by such Company Party within ten days of such Company Party's receipt of written notice of such breach from Investor, provided, if such breach, inaccuracy or failure is not capable of being cured within such ten day period, then the Company Party shall have an additional twenty days to cure such breach, inaccuracy or failure; or

(ii) Investor is not then in material breach of any provision of this Agreement and any of the conditions set forth in **Section 7.2** shall not have been, or if it becomes apparent that any of such conditions will not be, fulfilled by December 31, 2021 (or such later date as Investor and the Company may mutually agree to in writing, the "**Outside Date**"), unless such failure shall be due to an Action against Investor or the failure of Investor to perform or comply with any of the covenants, agreements or conditions hereof to be performed or complied with by it prior to the Closing;

(c) by the Company Parties by written notice to Investor if the conditions set forth in **Section 7.1** have been satisfied and:

(i) No Company Party is then in material breach of any provision of this Agreement and there has been a material breach, inaccuracy in or failure to perform any Fundamental Representation, covenant or agreement made by Investor pursuant to this Agreement that would give rise to the failure of any of the conditions specified in **ARTICLE VII** and such breach, inaccuracy or failure has not been cured by Investor within ten days of Investor's receipt of written notice of such breach from the Company, provided, if such breach, inaccuracy or failure is not capable of being cured within such ten day period, then the Investor shall have an additional twenty days to cure such breach, inaccuracy or failure; or

(ii) No Company Party is then in material breach of any provision of this Agreement and any of the conditions set forth in **Section 7.3** shall not have been fulfilled by the Outside Date, unless such failure shall be due to an Action against any Company Party or the failure of any Company Party to perform or comply with any of the covenants, agreements or conditions hereof to be performed or complied with by it prior to the Closing;

(d) by Investor or the Company Parties in the event that (i) the conditions set forth in **Section 7.1** shall not have been fulfilled by the Outside Date (unless such failure shall be due to an Action against such party or the failure of such party to perform or comply with any of the covenants, agreements or conditions hereof to be performed or complied with by it prior to the Outside Date), (ii) there shall be any Law that makes consummation of the transactions contemplated by this Agreement illegal or otherwise prohibited or (iii) any Governmental Authority shall have issued a Governmental Order prohibiting, restraining, limiting or enjoining the transactions contemplated by this Agreement, and such Governmental Order shall have become final and non-appealable.

Section 9.2. Effect of Termination. In the event of the termination of this Agreement in accordance with this Article, this Agreement and the Management Agreement shall forthwith become void and there shall be no liability herein or therein on the part of any party hereto or thereto except:

(a) as set forth in this **ARTICLE IX** and **Section 5.6** and **ARTICLE XI** hereof, or in any provisions expressly surviving the termination of the Management Agreement as set forth therein;

(b) if this Agreement is terminated by Investor in accordance with **Section 9.1(b)**, the Company shall be liable, and shall within three Business Days following such

termination reimburse Investor, for the Deposit and the Working Capital Advance; provided that such payment shall be the sole and exclusive remedy of Investor for any such termination and breach;

(c) if this Agreement is terminated by the Company Parties in accordance with **Section 9.1(c)**, the Company shall retain the Deposit and the Working Capital Advance (which shall be deemed forgiven and the Advance Agreement terminated) and Investor shall, within three (3) Business Days following the Outside Date or such termination, pay to the Company the Break Fee by wire transfer of readily available funds; provided, that in the event that Investor fails to timely pay the Break Fee to the Company, the Company shall be entitled to collect from Investor the Break Fee, plus any costs of collection (including attorneys' fees) incurred by the Company as a result of such failure to pay the Break Fee together with interest accrued thereon at [***]% per annum compounded monthly; and provided further that such payments and forgiveness shall be the sole and exclusive remedy of the Company Parties for any such termination and breach;

(d) if this Agreement is terminated by either party in accordance with **Section 9.1(d)**, and the Investor has not failed to perform or comply in any material respect with any of the covenants, agreements or conditions hereof to be performed or complied with by it prior to the Closing, the Company shall be liable for the Working Capital Advance in accordance with the terms of the Advance Agreement, and shall within ten Business Days following such termination reimburse Investor for the Deposit; and

(e) that nothing in this **Section 9.2** shall relieve any party hereto from liability for any willful or intentional breach of any provision hereof.

ARTICLE X.
RELEASE

As a material inducement to Investor to enter into this Agreement, effective as of the Initial Closing, Company Parent, on its own behalf and on behalf of its Affiliates, agrees not to sue and fully releases and forever discharges the Company and each of its directors, officers, employees, members, managers, shareholders, agents, assigns and successors as of the Initial Closing, with respect to and from any and all Actions, demands, rights, liens, Contracts, covenants, Liabilities, debts, expenses (including reasonable attorneys' fees) and Losses of whatever kind or nature in law, equity or otherwise, whether now known or unknown, and whether or not concealed or hidden, to the extent arising out of facts or circumstances in existence prior to the Initial Closing; *provided, however* that such release shall exclude those claims, liabilities, obligations and duties of the Company under this Agreement. The terms and conditions of this **ARTICLE X** constitute essential terms and conditions of this Agreement, and the execution of this Agreement by the Company Parent shall constitute the Company Parent's express agreement to be bound by such terms and provisions.

ARTICLE XI.
MISCELLANEOUS

Section 11.1. Expenses. Except as otherwise expressly provided herein, all costs and expenses, including, without limitation, fees and disbursements of counsel, financial advisors and accountants, incurred in connection with this Agreement and the transactions contemplated hereby shall be paid by the party incurring such costs and expenses, whether or not the Closing shall have occurred.

Section 11.2. Notices. All notices, requests, consents, claims, demands, waivers and other communications hereunder shall be in writing and shall be deemed to have been 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 (receipt requested); (c) on the date sent by e-mail of a PDF document (with confirmation of transmission) 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 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 11.2**):

If to Investor or
the Company (following the Closing):

Ascend Wellness Holdings, LLC
1411 Broadway, 16th Floor
New York, NY 10018
Attn: Daniel Neville

with a copy to:

Foley Hoag LLP
155 Seaport Boulevard
Boston, MA 02210
Attention: Erica Rice
[REDACTED]

If to Company Parent or
the Company (prior to the Closing):

MedMen NY, Inc.
c/o MM Enterprises USA, LLC
10115 Jefferson Blvd.
Culver City, CA 90232
Attention: Dan Edwards
[REDACTED]

with a copy to:

Raines Feldman LLP
1800 Avenue of the Stars, 12th Floor
Los Angeles, CA 90067
Attention: Jonathan Littrell
[REDACTED]

Section 11.3. Interpretation. For purposes of this Agreement, (a) the words “include,” “includes” and “including” shall be deemed to be followed by the words “without limitation”; (b)

the word “or” is not exclusive; (c) the words “herein,” “hereof,” “hereby,” “hereto” and “hereunder” refer to this Agreement as a whole; (d) the singular number shall include the plural, and vice versa; the masculine gender shall include the feminine and neuter genders; the feminine gender shall include the masculine and neuter genders; and the neuter gender shall include the masculine and feminine genders; and (e) references to “dollars” and “$” mean dollars in lawful currency of the United States of America. Unless the context otherwise requires, references herein: (x) to Articles, Sections, Disclosure Schedules, Exhibits and Schedules mean the Articles and Sections of, and Disclosure Schedules, Exhibits and Schedules attached to, this Agreement; (y) to an agreement, instrument or other document means such agreement, instrument or other document as amended, supplemented and modified from time to time to the extent permitted by the provisions thereof and (z) to a statute means such statute as amended from time to time and includes any successor legislation thereto and any regulations promulgated thereunder. This Agreement shall be construed without regard to any presumption or rule requiring construction or interpretation against the party drafting an instrument or causing any instrument to be drafted. The Disclosure Schedules and Exhibits and Schedules referred to herein shall be construed with, and as an integral part of, this Agreement to the same extent as if they were set forth verbatim herein.

Section 11.4. Headings. The headings in this Agreement are for reference only and shall not affect the interpretation of this Agreement.

Section 11.5. Severability. If any term or provision of this Agreement is invalid, illegal or unenforceable in any jurisdiction, such invalidity, illegality or unenforceability shall not affect any other term or provision of this Agreement or invalidate or render unenforceable such term or provision in any other jurisdiction. Except as provided in Section 5.7(e), upon such determination that any term or other provision is invalid, illegal or unenforceable, the parties hereto shall negotiate in good faith to modify this Agreement so as to effect the original intent of the parties as closely as possible in a mutually acceptable manner in order that the transactions contemplated hereby be consummated as originally contemplated to the greatest extent possible.

Section 11.6. Entire Agreement. This Agreement, the other Transaction Documents and the NDA constitute the sole and entire agreement of the parties to this Agreement with respect to the subject matter contained herein and therein, and supersede all prior and contemporaneous understandings and agreements, both written and oral, with respect to such subject matter. In the event of any inconsistency between the statements in the body of this Agreement and those in the other Transaction Documents, the Exhibits, Schedules, and Disclosure Schedules (other than an exception expressly set forth as such in the Disclosure Schedules), the statements in the body of this Agreement will control.

Section 11.7. Successors and Assigns. This Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective successors and permitted assigns. No party may assign its rights or obligations hereunder without the prior written consent of the other parties, which consent shall not be unreasonably withheld or delayed; provided, however, Investor may, without the prior written consent of the Company Parties, assign all or any portion of its rights under this Agreement to (i) an Affiliate of Investor or (ii) to any lender (or any agent or collateral trustee for any such Person) of Investor, the Company or their respective Affiliates

as collateral security in connection with any new financings or refinancings, and such collateral assignments shall be deemed to include any further assignment or transfer that may occur due to a foreclosure or other remedy under such financing documents. No assignment shall relieve the assigning party of any of its obligations hereunder.

Section 11.8. No Third-party Beneficiaries. Except as provided in **Section 6.3, Section 9.2, ARTICLE VIII and ARTICLE X** and payments made to Senior Lender in accordance with ARTICLE II, this Agreement is for the sole benefit of the parties hereto and their respective successors and permitted assigns and nothing herein, express or implied, is intended to or shall confer upon any other Person or entity any legal or equitable right, benefit or remedy of any nature whatsoever under or by reason of this Agreement.

Section 11.9. Amendment and Modification; Waiver. This Agreement may only be amended, modified or supplemented by an agreement in writing signed by each party hereto. No waiver by any party of any of the provisions hereof shall be effective unless explicitly set forth in writing and signed by the party so waiving. No waiver by any party shall operate or be construed as a waiver in respect of any failure, breach or default not expressly identified by such written waiver, whether of a similar or different character, and whether occurring before or after that waiver. No failure to exercise, or delay in exercising, any right, remedy, power or privilege arising from this Agreement shall operate or be construed as a waiver thereof; nor shall any single or partial exercise of any right, remedy, power or privilege hereunder preclude any other or further exercise thereof or the exercise of any other right, remedy, power or privilege.

Section 11.10. Governing Law; Submission to Jurisdiction; Waiver of Jury Trial.

(a) This Agreement shall be governed by and construed in accordance with the internal laws of the State of New York without giving effect to any choice or conflict of law provision or rule (whether of the State of New York or any other jurisdiction).

(b) ANY LEGAL SUIT, ACTION OR PROCEEDING ARISING OUT OF OR BASED UPON THIS AGREEMENT, THE OTHER TRANSACTION DOCUMENTS OR THE TRANSACTIONS CONTEMPLATED HEREBY OR THEREBY MAY BE INSTITUTED IN THE FEDERAL COURTS OF THE UNITED STATES OF AMERICA OR THE COURTS OF THE STATE OF NEW YORK, IN EACH CASE LOCATED IN THE CITY OF NEW YORK AND COUNTY OF NEW YORK, AND EACH PARTY IRREVOCABLY SUBMITS TO THE EXCLUSIVE JURISDICTION OF SUCH COURTS IN ANY SUCH SUIT, ACTION OR PROCEEDING. SERVICE OF PROCESS, SUMMONS, NOTICE OR OTHER DOCUMENT BY MAIL TO SUCH PARTY'S ADDRESS SET FORTH HEREIN SHALL BE EFFECTIVE SERVICE OF PROCESS FOR ANY SUIT, ACTION OR OTHER PROCEEDING BROUGHT IN ANY SUCH COURT. THE PARTIES IRREVOCABLY AND UNCONDITIONALLY WAIVE ANY OBJECTION TO THE LAYING OF VENUE OF ANY SUIT, ACTION OR ANY PROCEEDING IN SUCH COURTS AND IRREVOCABLY WAIVE AND AGREE NOT TO PLEAD OR CLAIM IN ANY SUCH COURT THAT ANY SUCH SUIT, ACTION OR PROCEEDING BROUGHT IN ANY SUCH COURT HAS BEEN BROUGHT IN AN INCONVENIENT FORUM.

(c) EACH PARTY ACKNOWLEDGES AND AGREES THAT ANY CONTROVERSY WHICH MAY ARISE UNDER THIS AGREEMENT OR THE OTHER TRANSACTION DOCUMENTS IS LIKELY TO INVOLVE COMPLICATED AND DIFFICULT ISSUES AND, THEREFORE, EACH SUCH PARTY IRREVOCABLY AND UNCONDITIONALLY WAIVES ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY LEGAL ACTION ARISING OUT OF OR RELATING TO THIS AGREEMENT, THE OTHER TRANSACTION DOCUMENTS OR THE TRANSACTIONS CONTEMPLATED HEREBY OR THEREBY. EACH PARTY TO THIS AGREEMENT CERTIFIES AND ACKNOWLEDGES THAT (A) NO REPRESENTATIVE OF ANY OTHER PARTY HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PARTY WOULD NOT SEEK TO ENFORCE THE FOREGOING WAIVER IN THE EVENT OF A LEGAL ACTION, (B) SUCH PARTY HAS CONSIDERED THE IMPLICATIONS OF THIS WAIVER, (C) SUCH PARTY MAKES THIS WAIVER VOLUNTARILY, AND (D) SUCH PARTY HAS BEEN INDUCED TO ENTER INTO THIS AGREEMENT BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS **Section 11.10(c)**.

Section 11.11. Specific Performance. The parties agree that irreparable damage would occur if any provision of this Agreement were not performed in accordance with the terms hereof and that the parties shall be entitled to specific performance of the terms hereof, in addition to any other remedy to which they are entitled at law or in equity.

Section 11.12. 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 or other means of electronic transmission shall be deemed to have the same legal effect as delivery of an original signed copy of this Agreement.

[Remainder of page intentionally left blank. Signature page follows.]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed as of the date first written above by their respective officers thereunto duly authorized.

COMPANY:

MEDMEN NY, INC.

By: /s/ Tom Lynch
Name: Tom Lynch
Title: CEO

COMPANY PARENT:

MM ENTERPRISES USA, LLC

By: /s/ Tom Lynch
Name: Tom Lynch
Title: CEO

INVESTOR:

AWH NEW YORK, LLC

By: /s/ Abner Kurtin
Name: Abner Kurtin
Title: President

INVESTOR PARENT:

ASCEND WELLNESS HOLDINGS, LLC

By: /s/ Abner Kurtin
Name: Abner Kurtin
Title: Chief Executive Officer

[***]

CONFIDENTIAL TREATMENT REQUESTED - REDACTED COPY

CREDIT AND GUARANTY AGREEMENT

dated as of October 15, 2020

among

ASCEND WELLNESS HOLDINGS, LLC,
as a Guarantor,

ASCEND ILLINOIS HOLDINGS, LLC,
ASCEND ILLINOIS, LLC,
AND
EACH OTHER ENTITY SIGNATORY HERETO AS A "BORROWER"
as Borrowers,

SUBSIDIARIES OF HOLDINGS
party hereto from time to time, as Guarantors

VARIOUS LENDERS,

and

SEVENTH AVENUE INVESTMENTS, LLC,
as Administrative Agent and Collateral Agent

$38,000,000 Senior Secured Credit Facilities

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CREDIT AND GUARANTY AGREEMENT

This **CREDIT AND GUARANTY AGREEMENT**, dated as of October 15, 2020, is entered into by and among **ASCEND WELLNESS HOLDINGS, LLC**, a Delaware limited liability company ("Holdings"), **ASCEND ILLINOIS HOLDINGS, LLC**, an Illinois limited liability company ("Ascend ILH"), **ASCEND ILLINOIS, LLC**, an Illinois limited liability company ("Ascend IL"), the **SUBSIDIARIES OF HOLDINGS** and other co-borrowers identified on the signature pages hereof (such Subsidiaries and other co-borrowers, together with Ascend ILH, Ascend IL and any other Person who becomes a borrower hereunder by executing a Counterpart Agreement, collectively, "Borrowers" and each individually, a "Borrower"), the **SUBSIDIARIES OF HOLDINGS** party hereto from time to time, as Guarantors, the Lenders party hereto from time to time, and **SEVENTH AVENUE INVESTMENTS, LLC** ("SAI"), as Administrative Agent (together with its successors and assigns in such capacity, the "Administrative Agent") and as Collateral Agent (together with its successors and assigns in such capacity, the "Collateral Agent").

RECITALS:

WHEREAS, capitalized terms used in these Recitals have the respective meanings set forth for such terms in Section 1.01;

WHEREAS, the Lenders have agreed, to the extent of their respective Commitments, to severally extend certain credit facilities to the Borrowers in an aggregate principal amount not to exceed $38,000,000 as of the Closing Date, consisting of $25,000,000 aggregate principal amount of Initial Term Loans and $13,000,000 aggregate principal amount of Delayed Draw Term Loans, the proceeds of which shall, in each case, be used in accordance Section 2.04;

WHEREAS, the Borrowers have agreed to secure all of their Obligations by granting to the Collateral Agent, for the benefit of the Secured Parties, a First Priority Lien (as defined in the Pledge and Security Agreement) on their respective Collateral (other than Excluded Property (as defined in the Pledge and Security Agreement)), including a pledge of all of the Equity Interests of each of their respective Subsidiaries (other than Excluded Subsidiaries); and

WHEREAS, the Guarantors have agreed to guaranty the obligations of the Borrowers hereunder and to secure their respective Obligations by granting to the Collateral Agent, for the benefit of the Secured Parties, a First Priority Lien on their respective Collateral (other than Excluded Property (as defined in the Pledge and Security Agreement)), including a pledge of all of the Equity Interests of each of their respective Subsidiaries (other than Excluded Subsidiaries).

NOW, THEREFORE, in consideration of the premises and the agreements, provisions and covenants herein contained, the parties hereto agree as follows:

ARTICLE I
DEFINITIONS AND INTERPRETATION

Section 1.01 Definitions

The following terms used herein, including in the preamble, recitals, exhibits and schedules hereto, shall have the following meanings; provided that terms (including uncapitalized terms) not otherwise defined herein and that are defined in the UCC shall have the meanings therein described:

"Acquisition Consideration" means the purchase consideration for any Permitted Acquisition, whether paid in Cash or by exchange of Equity Interests or of properties and whether payable at or prior to the consummation of such Permitted Acquisition or deferred for payment at any future time, whether or not any such future payment is subject to the occurrence of any contingency, and includes any and all payments representing the purchase price, any assumptions of Indebtedness and any Contingent Acquisition Consideration; provided, that Acquisition Consideration shall not include any consideration or payment paid by or on behalf of Holdings or any of its Restricted Subsidiaries (i) with the Net Cash Proceeds in respect of the issuance of any Equity Interests (other than any Disqualified Equity Interest) of Holdings or Borrowers or any direct or indirect parent thereof and/or (ii) in the form of Equity Interests (other than any Disqualified Equity Interest) of Holdings or Borrowers or any direct or indirect parent thereof; provided further that, for the avoidance of doubt, Acquisition Consideration shall not include any Contingent Acquisition Consideration to the extent such amounts are no longer payable due to any failure to satisfy the conditions to payment of such Contingent Acquisition Consideration.

"Administrative Agent" has the meaning set forth in the preamble hereto.

"Adverse Proceeding" means any action, suit, proceeding (in each case, whether administrative, judicial or otherwise), governmental investigation or arbitration (whether or not purportedly on behalf of any Loan Party or any of its Subsidiaries) at law or in equity, or before or by any Governmental Authority, domestic or foreign (including any Environmental Claims), whether pending or threatened in writing against any Loan Party or any of its Subsidiaries or any property of any Loan Party or any of its Subsidiaries.

"Affiliate" means, as applied to any Person, any other Person directly or indirectly controlling, controlled by, or under common control with, that Person. For the purposes of this definition, "control" (including, with correlative meanings, the terms "controlling", "controlled by" and "under common control with"), as applied to any Person, means the possession, directly or indirectly, of the power (a) to vote 10% or more of the Equity Interests having ordinary voting power for the election of directors of such Person or (b) to direct or cause the direction of the management and policies of that Person, whether through the ownership of voting securities or by contract or otherwise. Notwithstanding anything to the contrary contained herein, neither the Administrative Agent, the Collateral Agent, any Lender, nor any of their respective Affiliates shall be deemed to be an Affiliate of any Loan Party or any of its Subsidiaries.

"Agent" means each of the Administrative Agent and the Collateral Agent.

"Agent Affiliates" has the meaning set forth in Section 10.01(b)(iii).

"Aggregate Amounts Due" has the meaning set forth in Section 2.14.

"Aggregate Payments" has the meaning set forth in Section 7.02.

"Agreement" means this Credit and Guaranty Agreement, dated as of the Closing Date, as it may be amended, restated, supplemented or otherwise modified from time to time.

"Approved Deposit Account" means a Deposit Account maintained by any Loan Party that is the subject of an effective Deposit Account Control Agreement. "Approved Deposit Account" includes all monies on deposit in, or credited to, any such Deposit Account and all certificates and instruments, if any, representing or evidencing any such Deposit Account.

"Approved Electronic Communications" means any notice, demand, communication, information, document or other material that any Loan Party provides to the Administrative Agent pursuant

to any Loan Document or the transactions contemplated therein which is distributed to Agents or to Lenders by means of electronic communications pursuant to Section 10.01(b).

"Ascend IL" has the meaning set forth in the preamble hereto.

"Ascend ILH" has the meaning set forth in the preamble hereto.

"Asset Sale" means a sale, lease or sub-lease (as lessor or sublessor), sale and leaseback, assignment, conveyance, exclusive license (as licensor or sublicensor), transfer or other disposition to, or any exchange of property with, any Person (other than any Loan Party), including by division, in one transaction or a series of transactions, of all or any part of Holding's or any of its Restricted Subsidiaries' businesses, assets or properties of any kind, whether real, personal, or mixed and whether tangible or intangible, whether now owned or hereafter acquired, leased or licensed, including Equity Interests, other than, to the extent not otherwise prohibited hereunder, any use of and dispositions of Inventory, Cash and Cash Equivalents in the ordinary course of business; provided that neither Holdings nor any of its Restricted Subsidiaries shall be permitted to sell, assign, convey, exclusively license (as licensor or sublicensor), transfer or otherwise dispose of patents, copyrights, trademarks and other Intellectual Property rights of Holdings or any of its Subsidiaries material to the ongoing business of the Loan Parties and their Subsidiaries. For the avoidance of doubt, a surrender of leasehold improvements on any leased premises in connection with the complete surrender of such leased premises by Holdings and its Restricted Subsidiaries shall not be deemed to be an Asset Sale. Notwithstanding the foregoing, to the extent any transaction constitutes a Sale and Leaseback Transaction, then it shall not also be deemed an "Asset Sale."

"Assignment Agreement" means an Assignment and Assumption Agreement substantially in the form of Exhibit E, with such amendments or modifications as may be reasonably approved by the Administrative Agent.

"Assignment Effective Date" has the meaning set forth in Section 10.06(b).

"Authorized Officer" means, as applied to any Person, any individual holding the position of chairman of the board (if an officer), chief executive officer, president, secretary, assistant secretary or one of its vice presidents (or, in each case, the equivalent thereof or similar title), and such Person's chief financial officer, controller, vice president of finance, chief operating officer or similar officer, or any other senior officer of such Person that has substantially similar responsibilities to the extent such senior officer is designated as such in writing to the Administrative Agent; provided that with respect to any certification of Financial Covenants including Compliance Certificates attaching calculations of Financial Covenants, Authorized Officer means such Person's chief executive officer, president, chief financial officer, controller, vice president of finance, chief operating officer or any other senior officer of such Person that has substantially similar responsibilities to the extent such senior officer is designated as such in writing to the Administrative Agent.

"Bankruptcy Code" means Title 11 of the United States Code entitled "Bankruptcy," as now and hereafter in effect, or any successor statute.

"Beneficiary" means each Agent and each Lender.

"Board of Governors" means the Board of Governors of the United States Federal Reserve System or any successor thereto.

"Borrower Representative" has the meaning set forth in Section 10.24.

"Borrowers" has the meaning set forth in the preamble hereto.

"Borrowing Notice" means a written notice substantially in the form of Exhibit A, with such amendments or modifications as may be reasonably approved by the Administrative Agent.

"Brook Farm" means Brook Farm, LLC, a Massachusetts limited liability company.

"Business Day" means any day excluding Saturday, Sunday and any day which is a legal holiday under the laws of the State of New York or is a day on which banking institutions located in such state are authorized or required by law or other governmental action to close.

"Cananovus" means Cananovus, LLC, a Massachusetts limited liability company.

"Cannabis License" means (a) each license specified on Schedule 1.01(e), (b) any Governmental Authorization, license or other authorization acquired after the Closing Date by any Loan Party or Subsidiary thereof permitting such Loan Party or such Subsidiary to cultivate, produce, manufacture, warehouse, store, transport, modify, process, distribute or sell cannabis or THC-infused products to medical or recreational purchasers in any jurisdiction, including in the United States or any state or locality thereof, or (c) any authorization, permit, license, or registration otherwise required by any Loan Party or any Subsidiary thereof to operate the Core Business.

"Capital Expenditures" means, with respect to Holdings and its Restricted Subsidiaries, for any period, the aggregate of all expenditures by Holdings and its Restricted Subsidiaries during such period that are capital expenditures as determined in accordance with GAAP.

"Capital Lease" means, as applied to any Person, any lease of any property (whether real, personal or mixed) by that Person as lessee that, in conformity with GAAP, is or should be accounted for as a capital lease on the balance sheet of that Person; provided, that for purposes of this Agreement and the other Loan Documents, GAAP will be deemed to treat operating leases and capital leases in a manner consistent with their current treatment under generally accepted accounting principles as in effect on the Closing Date, notwithstanding any modifications or interpretive changes thereto that may occur hereafter.

"Capital Lease Obligations" of any Person shall mean all obligations of such Person to pay rent or other amounts under any Capital Lease, and the amount of such obligations shall be the capitalized amount thereof determined in accordance with GAAP, provided, that for purposes of this Agreement and the other Loan Documents, GAAP will be deemed to treat operating leases and capital leases in a manner consistent with their current treatment under generally accepted accounting principles as in effect on the Closing Date, notwithstanding any modifications or interpretive changes thereto that may occur hereafter.

"Cash" means money, currency or a credit balance in any demand or Deposit Account.

"Cash Balance" means, as of any date of determination, the amount of unrestricted Cash and Cash Equivalents of Holdings and its Subsidiaries on such date that are in Deposit Accounts of Holdings or any of its Subsidiaries.

"Cash Equivalents" means, as at any date of determination, any of the following: (a) marketable securities (i) issued or directly and unconditionally guaranteed as to interest and principal by the United States Government or (ii) issued by any agency of the United States the obligations of which are backed by the full faith and credit of the United States, in each case maturing within one (1) year after such

date and having, at the time of the acquisition thereof, a rating of at least A-2 from S&P and at least P-2 from Moody's; (b) marketable direct obligations issued by any state of the United States of America or any political subdivision of any such state or any public instrumentality thereof, in each case maturing within one (1) year after such date and having, at the time of the acquisition thereof, a rating of at least A-2 from S&P and at least P-2 from Moody's; (c) certificates of deposit or bankers' acceptances maturing within one (1) year after such date and issued or accepted by any Lender or by any commercial bank organized under the laws of the United States of America or any state thereof or the District of Columbia that (i) is at least "adequately capitalized" (as defined in the regulations of its primary Federal banking regulator), (ii) has Tier 1 capital (as defined in such regulations) of not less than $250,000,000 and (iii) has a rating of at least AA- from S&P and Aa3 from Moody's; and (d) shares of any money market mutual fund that (i) has at least 95% of its assets invested continuously in the types of investments referred to in clauses (a) and (b) above, (ii) has net assets of not less than $500,000,000 and (iii) has the highest rating obtainable from both S&P and Moody's.

"Change of Control" means an event or series of events by which: [***].

"Class" means: (a) when used with respect to Lenders, whether such Lenders have a Loan or Commitment with respect to a particular "class" (as described in clauses (b) or (c) of this definition) of Loans or Commitments; (b) when used with respect to Loans, whether such Loans are (i) Initial Term Loans or (ii) the Delayed Draw Term Loan; and (c) when used with respect to Commitments, whether such Commitments are (i) Initial Term Loan Commitments or (ii) Delayed Draw Term Loan Commitments.

"Closing Date" means the date on which the Term Loans are made, which occurred on October 15, 2020.

"Closing Date Certificate" means a Closing Date Certificate substantially in the form of Exhibit G-1, with such amendments or modifications as may be reasonably approved by the Administrative Agent.

"Collateral" means, collectively, all of the property (including Equity Interests) in which Liens are purported to be granted pursuant to the Security Documents as security for the Obligations;

provided that in no event shall "Collateral" include Excluded Property (as defined in the Pledge and Security Agreement).

"Collateral Agent" has the meaning set forth in the preamble hereto.

"Collateral Assignment of Material Contracts" means, collectively, (i) a collateral assignment of the applicable Loan Parties' rights and remedies under any Material Contract (except those certain Material Contracts agreed to in writing by the Agent and Borrower Representative), dated as of the Closing Date, in form and substance satisfactory to Administrative Agent, and (ii) any other collateral assignment of any Loan Parties' rights and remedies under material license agreements, lease agreements, or other Contractual Obligations related to the Core Business entered into and subject to Section 5.18, in form and substance satisfactory to Administrative Agent.

[***]

"Commitment" means any Initial Term Loan Commitment or Delayed Draw Term Loan Commitment.

"Commodities Account" means (a) all "commodity accounts" as defined in Article 9 of the UCC and (b) all of the accounts listed on Schedule 4.4 to the Pledge and Security Agreement under the heading "Commodities Accounts" (as such Schedule may be amended or supplemented from time to time in accordance with the Pledge and Security Agreement).

"Commodity Exchange Act" means the Commodity Exchange Act (7 U.S.C. § 1 et seq.).

"Compliance Certificate" means a Compliance Certificate substantially in the form of Exhibit C, with such amendments or modifications as may be reasonably approved by the Administrative Agent.

"Consolidated Fixed Charges" shall mean, for Holdings and its Subsidiaries or the Group Members (other than any Excluded Subsidiary), as applicable, for any period, the sum (without duplication) of (i) consolidated interest expense paid in cash for such period, (ii) scheduled principal payments made on Consolidated Total Indebtedness during such period, (iii) to the extent not included in Consolidated Total Indebtedness, rent payments in respect of real property (including non-lease components of triple-net lease obligations such as Taxes (including property taxes), maintenance, property insurance and other similar obligations), and (iv) Restricted Payments paid in cash to Persons other than the Loan Parties during such period.

"Consolidated Total Indebtedness" means, as of any date of determination, for Holdings and its Restricted Subsidiaries, all Funded Indebtedness as of such date.

"Contingent Acquisition Consideration" means any earn-out obligation or similar deferred or contingent obligation of Holdings or any of its Restricted Subsidiaries incurred or created in connection with any Permitted Acquisition or [***], in each case to the extent such obligation(s) would be required to appear in the liabilities section of the balance sheet of Holdings and its Restricted Subsidiaries and valued based upon the amount thereof required to be recorded on such balance sheet prepared in accordance with GAAP.

"Contractual Obligation" means, as applied to any Person, any provision of any security issued by that Person or of any indenture, mortgage, deed of trust, contract, undertaking, agreement or other instrument to which that Person is a party or by which it or any of its properties is bound or to which it or any of its properties is subject.

"Contributing Guarantors" has the meaning set forth in Section 7.02.

"Control Account" means a Securities Account or Commodity Account that is the subject of an effective Securities Account Control Agreement that is maintained by any Loan Party with a Securities Intermediary and in which the Collateral Agent has a First Priority Lien. "Control Account" includes all financial assets held in a Securities Account or a Commodity Account and all certificates and instruments, if any, representing or evidencing the financial assets contained therein.

"Controlled Substances Act" means the Controlled Substances Act (21 U.S.C. § 801 et seq.), and any rules or regulations promulgated thereunder as amended from time to time.

"Core Business" means the cultivation, production, manufacture, warehousing, storage, transportation, modification, processing, distribution or sale of cannabis or THC-infused products to medical or recreational purchasers in any jurisdiction, including in the United States or any state or locality thereof.

"Counterpart Agreement" means a Counterpart Agreement substantially in the form of Exhibit H delivered by a Loan Party pursuant to Section 5.10, with such amendments or modifications as may be reasonably approved by the Administrative Agent.

"Credit Date" means the date of a Credit Extension.

"Credit Extension" means the making of a Loan.

"Default" means a condition or event that, after notice or lapse of time or both, would constitute an Event of Default.

"Default Rate" has the meaning set forth in Section 2.07.

"Delayed Draw Term Loan" means a delayed draw term loan made by a Lender to the Borrowers pursuant to Section 2.02(a).

"Delayed Draw Term Loan Commitment" means the commitment of a Lender to make or otherwise fund the Delayed Draw Term Loans hereunder and "Delayed Draw Term Loan Commitments" means such commitments of all Lenders in the aggregate. The amount of each Lender's Delayed Draw Term Loan Commitment, if any, is set forth on Schedule 1.01(b) or in the applicable Assignment Agreement, subject to any adjustment or reduction pursuant to the terms and conditions hereof. The aggregate amount of the Delayed Draw Term Loan Commitments as of the Closing Date is $13,000,000.

"Delayed Draw Term Loan Commitment Period" means the period beginning one (1) day after the Closing Date to but excluding the Delayed Draw Term Loan Commitment Termination Date.

"Delayed Draw Term Loan Commitment Termination Date" means the earliest to occur of (a) the second (2nd) anniversary of the Closing Date, (b) the date the Delayed Draw Term Loan Commitments are permanently reduced to zero pursuant to Section 2.10(b), (c) the date of the termination

of the Delayed Draw Term Loan Commitments pursuant to Section 8.01, and (d) the date that the Term Loans are repaid in full.

"Delayed Draw Term Loan Exposure" means, with respect to any Lender as of any date of determination, (a) prior to the termination of the Delayed Draw Term Loan Commitments, that Lender's Delayed Draw Term Loan Commitment; and (b) after the termination of the Delayed Draw Term Loan Commitments, the sum of the aggregate outstanding principal amount of the Delayed Draw Term Loan of such Lender.

"Delayed Draw Term Loan Note" means a promissory note in substantially the form of Exhibit B-2, with such amendments or modifications as may be reasonably approved by the Administrative Agent and the Borrowers and as it may be amended, restated, supplemented or otherwise modified from time to time pursuant to the terms thereof.

"Deposit Account" means (a) all "deposit accounts" as defined in Article 9 of the UCC and (b) all of the accounts listed on Schedule 4.4 to the Pledge and Security Agreement under the heading "Deposit Accounts" (as such Schedule may be amended or supplemented from time to time in accordance with the Pledge and Security Agreement).

"Deposit Account Control Agreement" means, with respect to a Deposit Account, an agreement in form and substance satisfactory to the Collateral Agent, among the Collateral Agent, the financial institution or other Person at which such Deposit Account is maintained and the Loan Party maintaining such account, effective for the Collateral Agent to obtain "control" (within the meaning of Articles 8 and 9 under the UCC) of such account.

"Disqualified Equity Interests" means any Equity Interest which, by its terms (or by the terms of any security or other Equity Interests into which it is convertible or for which it is exchangeable or exercisable), or upon the happening of any event or condition (a) matures or is mandatorily redeemable (other than solely for Equity Interests which are not otherwise Disqualified Equity Interests), pursuant to a sinking fund obligation or otherwise, (b) is redeemable or subject to mandatory repurchase, in either case, at the option of the holder thereof (other than solely for Equity Interests which are not otherwise Disqualified Equity Interests), in whole or in part, (c) provides for scheduled payments, dividends or distributions in Cash or (d) is or becomes convertible into or exchangeable or exercisable for Indebtedness or any other Equity Interests that would constitute Disqualified Equity Interests, in each case, prior to the date that is one-hundred and eighty (180) days after the Term Loan Maturity Date, except, in the case of clauses (a) and (b) above, if as a result of a change of control or asset sale, so long as any rights of the holders thereof upon the occurrence of such a change of control or asset sale are subject to the prior payment in full of all Obligations; provided, that if such Equity Interest is issued pursuant to a plan for the benefit of employees of any Loan Party or its Restricted Subsidiaries or by any such plan to such employees, such Equity Interests shall not constitute Disqualified Equity Interests solely because it may be required to be repurchased by such Loan Party or its Restricted Subsidiaries in order to satisfy applicable statutory or regulatory obligations.

"Disqualified Institution" means a Person that is a direct operating company competitor of Holdings and its Subsidiaries as of the Closing Date that is set forth on Schedule 6.12.

"Dollars" and the sign "$" mean the lawful money of the United States of America.

"Eligible Assignee" means (a) any Lender, any Affiliate of any Lender and any Related Fund, (b) any commercial bank, insurance company, investment or mutual fund or other entity that is an "accredited investor" (as defined in Regulation D under the Securities Act) and which extends credit or

buys loans as one of its businesses, and (c) any other Person (other than any natural person); provided, that with respect to clauses (b) and (c) above, the Administrative Agent shall have the right to consent to such Person becoming an Eligible Assignee provided further, that (i) none of any Loan Party or any Affiliate of any Loan Party shall be an Eligible Assignee and (ii) for so long as no Event of Default has occurred and is continuing, no Disqualified Institution shall be an Eligible Assignee.

"Employee Benefit Plan" means any "employee benefit plan" as defined in Section 3(3) of ERISA which is sponsored, maintained or contributed to by, or required to be contributed by, any Loan Party or any of its Subsidiaries or with respect to which any Loan Party or any of its Subsidiaries has any liability, contingent or otherwise.

"Environmental Claim" means any investigation, notice, notice of violation, claim, action, suit, proceeding, demand, abatement order or other order, decree or directive (conditional or otherwise) by any Governmental Authority or any other Person, arising (a) pursuant to any Environmental Law, (b) in connection with any actual or alleged violation of, or liability pursuant to, any Environmental Law, including any Governmental Authorizations issued pursuant to Environmental Law, (c) in connection with any Hazardous Material, including the presence or Release of, or exposure to, any Hazardous Materials and any abatement, removal, remedial, corrective or other response action related to Hazardous Materials or (d) in connection with any actual or alleged damage, injury, threat or harm to health (due to exposure to or management of Hazardous Materials), safety (due to exposure to or management of Hazardous Materials), natural resources or the environment.

"Environmental Laws" means any and all foreign or domestic, federal, state or local laws (including any common law), statutes, ordinances, orders, rules, regulations, judgments or any other binding requirements of Governmental Authorities relating to or imposing liability or standards of conduct with respect to (a) environmental matters, (b) the generation, use, storage, transportation or disposal of, or exposure to, Hazardous Materials or (c) occupational safety and health, or industrial hygiene, in each case applicable to any Loan Party or any of its Subsidiaries or any Facility.

"Equity Interests" means any and all shares, interests, participations or other equivalents (however designated) of capital stock of a corporation, any and all equivalent ownership interests in a Person (other than a corporation), including partnership interests and membership interests, and any and all voting trust certificates, certificates of participation or interest, warrants, rights or options to purchase or other arrangements or rights to acquire or subscribe to any of the foregoing.

"ERISA" means the Employee Retirement Income Security Act of 1974, as amended from time to time, the regulations promulgated thereunder and any successor thereto.

"ERISA Affiliate" means, as applied to any Person, (a) any corporation which is a member of a controlled group of corporations within the meaning of Section 414(b) of the Internal Revenue Code of which that Person is a member; (b) any trade or business (whether or not incorporated) which is a member of a group of trades or businesses under common control within the meaning of Section 414(c) of the Internal Revenue Code of which that Person is a member; and (c) any member of an affiliated service group within the meaning of Section 414(m) or (o) of the Internal Revenue Code of which that Person, any corporation described in clause (a) above or any trade or business described in clause (b) above is a member. Any former ERISA Affiliate of any Loan Party or any of its Subsidiaries shall continue to be considered an ERISA Affiliate of such Loan Party or any such Subsidiary within the meaning of this definition with respect to the period such entity was an ERISA Affiliate of such Loan Party or such Subsidiary and with respect to liabilities arising after such period for which such Loan Party or such Subsidiary could be liable under the Internal Revenue Code or ERISA.

"ERISA Event" means (a) a "reportable event" within the meaning of Section 4043 of ERISA and the regulations issued thereunder with respect to any Pension Plan (excluding those for which the provision for 30-day notice to the PBGC has been waived by regulation); (b) the failure to meet the minimum funding standard of Sections 412 or 430 of the Internal Revenue Code or Sections 302 or 303 of ERISA with respect to any Pension Plan (whether or not waived in accordance with Section 412(c) of the Internal Revenue Code or Section 302(c) of ERISA) or the failure to make by its due date a required installment under Section 430(j) of the Internal Revenue Code with respect to any Pension Plan or the failure to make any required contribution to a Multiemployer Plan; (c) a determination that any Pension Plan is, or is expected to be, in "at risk" status (as defined in Section 430 of the Internal Revenue Code or Section 303 of ERISA); (d) the provision by the administrator of any Pension Plan pursuant to Section 4041(a)(2) of ERISA of a notice of intent to terminate such plan in a distress termination described in Section 4041(c) of ERISA; (e) a determination that any Multiemployer Plan is, or is expected to be, in "critical" or "endangered" status under Section 432 of the Internal Revenue Code or Section 305 of ERISA; (f) the withdrawal or a cessation of operations that is treated as such a withdrawal under Section 4062(e) of ERISA by any Loan Party, any of its Subsidiaries or any of their respective ERISA Affiliates from any Pension Plan with two or more contributing sponsors or the termination of any such Pension Plan resulting in liability to any Loan Party, any of its Subsidiaries or any of their respective Affiliates pursuant to Section 4063 or 4064 of ERISA; (g) the institution by the PBGC of proceedings to terminate any Pension Plan, or the occurrence of any event or condition which might constitute grounds under ERISA for the termination of, or the appointment of a trustee to administer, any Pension Plan; (h) the imposition of any liability under Title IV of ERISA, other than for PBGC premiums due but not delinquent under Section 4007 of ERISA, on any Loan Party, any of its Subsidiaries or any of their respective ERISA Affiliates or the imposition of a Lien in favor of the PBGC under Title IV of ERISA; (i) the withdrawal of any Loan Party, any of its Subsidiaries or any of their respective ERISA Affiliates in a complete or partial withdrawal (within the meaning of Sections 4203 and 4205 of ERISA) from any Multiemployer Plan if there is any potential liability therefor, or the receipt by any Loan Party, any of its Subsidiaries or any of their respective ERISA Affiliates of notice from any Multiemployer Plan that it is in reorganization or insolvency pursuant to Section 4241 or 4245 of ERISA, or that it intends to terminate or has terminated under Section 4041A or 4042 of ERISA; (j) the occurrence of an act or omission which could give rise to the imposition on any Loan Party or any of its Subsidiaries of fines, penalties, taxes or related charges under Chapter 43 of the Internal Revenue Code or under Section 4071 of ERISA in respect of any Employee Benefit Plan or Pension Plan; (k) the imposition of a Lien pursuant to Section 430(k) of the Internal Revenue Code or Section 303(k) of ERISA or a violation of Section 436 of the Internal Revenue Code with respect to any Pension Plan; or (l) the occurrence of a non-exempt prohibited transaction with respect to which any Loan Party or any of its Subsidiaries is a "disqualified person" or a "party in interest" (within the meaning of Section 4975 of the Internal Revenue Code or Section 406 of ERISA, respectively) or which could reasonably be expected to result in material liability to any Loan Party or any of its Subsidiaries.

"Event of Default" means the occurrence of any of the conditions or events set forth in Section 8.01.

"Exchange Act" means the Securities Exchange Act of 1934, as amended from time to time, and any successor statute.

"Excluded Accounts" means (1) any zero-balance account, (2) any payroll, withholding tax or other fiduciary account, in the each case, solely to the extent such accounts in this clause (2) contain only amounts designated for payment of payroll, withholding tax or such other fiduciary liabilities, and (3) any deposit account for the deposit of funds in the ordinary course of business provided the balance in all such accounts taken together shall not exceed $[***] in the aggregate.

"Excluded Subsidiaries" means (a) Ascend Friend Street RE, LLC, a Massachusetts limited liability company, (b) any other direct or indirect Subsidiary of Holdings that does not operate or own any assets in the State of Illinois or the Commonwealth of Massachusetts, (c) AWH Springfield OPCO, LLC, an Illinois limited liability company and (d) such other Subsidiaries of Holdings approved by Administrative Agent in its sole discretion.

"Excluded Tax" means any of the following Taxes imposed on or with respect to Agent, any Lender or any other recipient of a payment to be made by or on account of any Obligation, (a) Taxes imposed on or measured by net income (however denominated), franchise Taxes and branch profits Taxes, in each case, (i) imposed by the jurisdiction (or any political subdivision thereof) under the laws of which such recipient is organized or in which its principal office is located or, in the case of any Lender, in which its applicable lending office is located or (ii) that are Other Connection Taxes, (b) in the case of a Lender, any United States withholding Tax that is required pursuant to laws in force at the time such Lender acquires an interest in any Obligation or designates a new lending office hereunder (except to the extent that such Lender (or its assignor, if any) was entitled, at the time of designation of a new lending office (or assignment), to receive additional amounts from the Borrowers with respect to such United States withholding tax), or (c) Taxes attributable to such Lender's failure to comply with Section 2.16(b), and (d) any United States withholding Tax imposed under FATCA.

"Existing Indebtedness" means Indebtedness as set forth in Schedule 1.01(d).

"Extraordinary Receipts" means any Cash received by or paid to or for the account of Holdings or any of its Restricted Subsidiaries with respect to purchase price adjustments (other than customary working capital adjustments), proceeds of insurance, tax refunds, proceeds from judgments or settlements, and/or indemnity payments.

"Facility" means any real property (including all buildings, fixtures or other improvements located thereon) now, hereafter or heretofore owned, leased or used by any Loan Party or any of its Subsidiaries.

"Fair Share" has the meaning set forth in Section 7.02.

"Fair Share Contribution Amount" has the meaning set forth in Section 7.02.

"Fair Value" means the amount at which the assets (both tangible and intangible), in their entirety, of the Loan Parties and their Restricted Subsidiaries taken as a whole would change hands between an independent willing buyer and a willing seller, within a commercially reasonable period of time, each having reasonable knowledge of the relevant facts, with neither being under any compulsion to act.

"FATCA" means Sections 1471 through 1474 of the Internal Revenue Code, as of the date of this Agreement.

"FCPA" has the meaning set forth in Section 4.25.

"FDIC" means the Federal Deposit Insurance Corporation created under the authority of the Federal Reserve Act, Section 12B (12 U.S.C.A. § 264(s)).

"Fee Letter" means the Fee Letter dated as of the Closing Date between the Loan Parties and the Administrative Agent, as amended, supplemented or otherwise modified from time to time.

"Financial Covenants" means each of or collectively, as the context requires, the financial covenant(s) set forth in Section 6.07.

"Financial Officer Certification" means, with respect to the financial statements for which such certification is required, the certification of an Authorized Officer of Holdings that such financial statements fairly present, in all material respects, the financial condition of Holdings and its Restricted Subsidiaries as at the dates indicated and the results of their operations and their cash flows for the periods indicated, subject to changes resulting from audit and normal year-end adjustments.

"Financial Plan" has the meaning set forth in Section 5.01(j).

"First Priority" means (i) with respect to any Lien purported to be created in any Collateral pursuant to any Security Document that does not constitute Equity Interests, that such Lien is the highest priority Lien to which such Collateral is subject, other than any Permitted Liens and (ii) with respect to any Lien purported to be created in any Collateral pursuant to any Security Document that constitutes Equity Interests, that such Lien is the highest priority Lien to which such Collateral is subject, other than any Permitted Liens for Taxes, statutory obligations or other obligations arising by operation of Law that would have priority over the Lien of the Collateral Agent in any such Collateral that constitutes Equity Interests.

"Fiscal Month" means a fiscal month of any Fiscal Year.

"Fiscal Quarter" means a fiscal quarter of any Fiscal Year.

"Fiscal Year" means the fiscal year of Holdings and its Subsidiaries ending on December 31st of each calendar year.

"Funded Indebtedness" means, as of any date of determination, for Holdings and its Restricted Subsidiaries, determined on a consolidated basis in accordance with GAAP, all Indebtedness consisting of (i) Indebtedness for borrowed money (including, but not limited to, Initial Term Loans and Delayed Draw Term Loans), (ii) obligations evidenced by bonds, debentures, promissory notes or similar instruments, (iii) obligations with respect to letters of credit (including the face amount thereof and reimbursement obligations under letters of credit), and (iv) obligations with respect to Capital Leases and Contingent Acquisition Consideration.

"Funding Guarantors" has the meaning set forth in Section 7.02.

"GAAP" means, subject to the limitations on the application thereof set forth in Section 1.02, United States generally accepted accounting principles in effect as of the date of determination thereof consistently applied.

"GAAP Carve-outs" means accounting related to (a) business combinations, (b) consolidation and non-controlling interest, (c) fair value measurements, (d) stock-based compensation, (e) convertible debt, (f) leases, (g) sale-leaseback transactions, (h) loans and investments, and (i) income taxes.

"Governmental Authority" means any federal, state, municipal, national or other government, governmental department, commission, board, bureau, court, agency or instrumentality or political subdivision thereof or any entity, officer or examiner exercising executive, legislative, judicial, regulatory or administrative functions of or pertaining to any government or any court, in each case whether associated with a state of the United States, the United States, or a foreign entity or government, including the NAIC or its Securities Valuation Office.

"Governmental Authorization" means any permit, license, authorization, certification, registration, approval, directive, consent order or consent decree of or from any Governmental Authority.

"Grantor" has the meaning set forth in the Pledge and Security Agreement.

"Group Member" means any direct or indirect Subsidiary of Holdings that is formed in, incorporated in, operates in or owns any assets in, the State of Illinois or the Commonwealth of Massachusetts.

"Guaranteed Obligations" has the meaning set forth in Section 7.01.

"Guarantor" means Holdings, each Subsidiary of Holdings (other than the Borrowers and any Excluded Subsidiaries) and each other Person which guarantees, pursuant to Article VII or otherwise, all or any part of the Obligations.

"Guaranty" means the guaranty of each Guarantor set forth in Article VII.

"Hazardous Materials" means any pollutant, contaminant, chemical, waste, material or substance, exposure to which or Release of which is prohibited, limited or regulated by any Governmental Authority, including petroleum, petroleum products, asbestos, urea formaldehyde, radioactive materials, polychlorinated biphenyls ("PCBs"), and toxic mold.

"Highest Lawful Rate" means the maximum lawful interest rate, if any, that at any time or from time to time may be contracted for, charged, or received under the laws applicable to any Lender which are presently in effect or, to the extent allowed by law, under such applicable Laws which may hereafter be in effect and which allow a higher maximum nonusurious interest rate than applicable Laws now allow.

"Historical Financial Statements" means, as of the Closing Date, (a) the unaudited consolidated and consolidating balance sheet of Holdings and its Subsidiaries for Fiscal Year 2019 and the fiscal quarter ended June 30, 2020, and the related unaudited consolidated statements of operations, stockholders' equity and cash flows for the fiscal quarter then ended.

"Holdings" has the meaning set forth in the preamble hereto.

"Holdings LLC Agreement" means the Third Amended and Restated Limited Liability Company Agreement of Holdings dated as of January 29, 2019.

"Income Tax" means Tax on the overall net income (however denominated) of a Person imposed by the jurisdiction in which that Person is organized or in which that Person's applicable principal office (and/or, in the case of a Lender, its lending office) is located or in which that Person (and/or, in the case of a Lender, its lending office) is deemed to be doing business on all or part of the net income, profits or gains (whether worldwide, or only insofar as such income, profits or gains are considered to arise in or to relate to a particular jurisdiction, or otherwise) of that Person (and/or, in the case of a Lender, its applicable lending office).

"Incremental Effective Date" has the meaning set forth in Section 2.17.

"Incremental Facility" has the meaning set forth in Section 2.17.

"Incremental Term Loan" has the meaning set forth in Section 2.17.

"Incremental Term Loan Commitment" has the meaning set forth in Section 2.17.

"Indebtedness" means, as applied to any Person, without duplication, (a) all indebtedness for borrowed money; (b) that portion of Capital Lease Obligations (exclusive, for the avoidance of doubt, of operating leases) that is properly classified as a liability on a balance sheet in conformity with GAAP; (c) Synthetic Lease Obligations; (d) obligations evidenced by bonds, debentures, promissory notes or similar instruments, and notes payable and drafts accepted representing extensions of credit whether or not representing obligations for borrowed money; (e) any obligation owed for all or any part of the deferred purchase price of property or services, including any Contingent Acquisition Consideration (but excluding, for the avoidance of doubt, (1) unsecured obligations on account of trade accounts payable not overdue by more than 60 days and deferred revenue, in each case, in the ordinary course of business, (2) any unsecured obligations in respect of customary purchase price adjustments or working capital adjustments in connection with any Permitted Acquisition or [***] or any other acquisition permitted hereunder and (3) accrued expenses payable in the ordinary course of business (including credit card balances) and not overdue by more than 60 days); (f) all indebtedness secured by any Lien on any property or asset owned or held by that Person regardless of whether the indebtedness secured thereby shall have been assumed by that Person or is nonrecourse to the credit of that Person; (g) the face amount of any letter of credit issued for the account of that Person or as to which that Person is otherwise liable for reimbursement of drawings, and all obligations of that Person for reimbursement of any obligor in respect of any letter of guaranty, bankers' acceptance or similar credit transaction; (h) Disqualified Equity Interests; (i) the direct or indirect guaranty, endorsement (other than for collection or deposit in the ordinary course of business), co-making, discounting with recourse or sale with recourse by such Person of the obligation of another to the extent required to be reflected on a balance sheet in accordance with GAAP; and (j) all obligations of such Person in respect of any exchange traded or over the counter derivative transaction, including any hedge agreement, interest rate agreement or currency exchange rate agreement, in each case, whether entered into for hedging or speculative purposes.

"Indemnified Liabilities" means, collectively, any and all liabilities, obligations, losses, damages (including natural resource damages), penalties, claims (including Environmental Claims), actions, judgments, suits, costs (including the reasonable and documented out-of-pocket costs of any investigation, study, sampling, testing, abatement, cleanup, removal, remediation or other necessary response action, in each case, required by any Environmental Law, related to the Release or presence of any Hazardous Materials), reasonable and documented out-of-pocket expenses and disbursements of any kind or nature whatsoever in connection with any investigative, administrative or judicial proceeding or hearing commenced or threatened by any Person (including any Loan Party or its Subsidiaries), whether or not such Indemnitee shall be designated as a party or a potential party thereto, and any reasonable and documented out-of-pocket fees and expenses incurred by Indemnitees in enforcing any Indemnified Liabilities whether direct, indirect, special or consequential, and whether based on any federal, state or foreign laws, statutes, rules or regulations (including securities and commercial laws, statutes, rules or regulations and Environmental Laws), on common law or equitable cause or on contract or otherwise, that may be imposed on, incurred by, or asserted against any such Indemnitee, in any manner relating to or arising out of (i) this Agreement or the other Loan Documents or the transactions contemplated hereby or thereby (including the Lenders' agreement to make Credit Extensions, the syndication of the credit facilities provided for herein or the use or intended use of the proceeds thereof, or any enforcement of any of the Loan Documents (including any sale of, collection from, or other realization upon any of the Collateral or the enforcement of the Guaranty)); (ii) any Environmental Claim relating to or arising from, any past or present activity, operation, land ownership, or practice of any Loan Party or any of its Subsidiaries; or (iii) any Credit Extension or the use of proceeds thereof.

"Indemnified Taxes" means (a) Taxes, other than Excluded Taxes, imposed on or with respect to any payment made by or on account of any Obligation of the Borrowers under this Agreement and (b) to the extent not otherwise described in clause (a), Other Taxes.

"Indemnitee" has the meaning set forth in Section 10.03.

"Information" has the meaning set forth in Section 10.17.

"Initial Term" has the meaning set forth in the definition of "Maturity Date."

"Initial Term Loan" means an initial term loan made by a Lender to the Borrowers pursuant to Section 2.01(a).

"Initial Term Loan Commitment" means the commitment of a Lender to make or otherwise fund an Initial Term Loan and "Initial Term Loan Commitments" means such commitments of all Lenders in the aggregate. The amount of each Lender's Initial Term Loan Commitment, if any, is set forth on Schedule 1.01(a) or in the applicable Assignment Agreement, subject to any adjustment or reduction pursuant to the terms and conditions hereof. The aggregate amount of the Initial Term Loan Commitments as of the Closing Date is $25,000,000.

"Initial Term Loan Exposure" means, with respect to any Lender, as of any date of determination, the outstanding principal amount of the Initial Term Loans of such Lender; provided, that at any time prior to the making of the Initial Term Loans, the Initial Term Loan Exposure of any Lender shall be equal to such Lender's Initial Term Loan Commitment.

"Initial Term Loan Note" means a promissory note substantially in the form of Exhibit B-1, with such amendments or modifications as may be reasonably approved by the Administrative Agent and as it may be amended, restated, supplemented or otherwise modified from time to time pursuant to the terms hereof.

"Insolvency Laws" means the Bankruptcy Code of the United States, and all other insolvency, bankruptcy, receivership, liquidation, conservatorship, assignment for the benefit of creditors, moratorium, rearrangement, reorganization, or similar legal requirements of the United States or other applicable jurisdictions from time to time in effect and affecting the rights of creditors generally.

"Intellectual Property" has the meaning set forth in the Pledge and Security Agreement.

"Intellectual Property Asset" means, at the time of determination, any interest (fee or license) then owned by any Loan Party in any Intellectual Property.

"Intellectual Property Security Agreements" has the meaning set forth in the Pledge and Security Agreement.

"Intercompany Note" means a promissory note substantially in the form of Exhibit K evidencing Indebtedness owed among the Group Members (other than any Excluded Subsidiaries) or any other Guarantor (other than Holdings), with such amendments or modifications as may be reasonably approved by the Administrative Agent and as it may be amended, restated, supplemented or otherwise modified from time to time.

"Internal Revenue Code" means the Internal Revenue Code of 1986, as amended to the date hereof and from time to time hereafter, and any successor statute.

"Inventory" has the meaning set forth in the Pledge and Security Agreement.

"Investment" means (a) any direct or indirect purchase or other acquisition by any Loan Party or any of its Restricted Subsidiaries of, or of a beneficial interest in, any Equity Interests of any other Person, including the establishment or creation of any Subsidiary; (b) any direct or indirect redemption, retirement, purchase or other acquisition for value, by any Loan Party or its Restricted Subsidiaries from any Person, of any Equity Interests of such Person; (c) any direct or indirect loan, advance or capital contributions by any Loan Party or any of its Restricted Subsidiaries to any other Person, including all indebtedness and accounts receivable from that other Person that are not current assets or did not arise from sales to that other Person in the ordinary course of business; (d) any purchase or other acquisition (in one transaction or a series of transactions) of any assets of any other Person that constitute a business unit and (e) all investments consisting of any exchange traded or over the counter derivative transaction, including any hedge agreement, interest rate swap or currency hedge agreement or similar transaction, whether entered into for hedging or speculative purposes. The amount of any Investment of the type described in clauses (a), (b), (c) and (d) shall be the original cost of such Investment plus the cost of all additions thereto, without any adjustments for increases or decreases in value, or write-ups, write-downs or write-offs with respect to such Investment.

"IPO" means the first underwritten public offering by Holdings or any Loan Party of its respective Equity Interests after the Closing Date pursuant to a registration statement filed with the SEC in accordance with the Securities Act or the Canadian Securities Administrator in accordance with the applicable Canadian securities laws, including a registrations through a reverse takeover or use of a special purpose acquisition company.

"Landlord Waiver" means a Landlord Waiver and Consent Agreement substantially in the form of Exhibit J, with such amendments or modifications as may be reasonably approved by the Collateral Agent and the Borrower Representative.

"Laws" means, collectively, with respect to any Person, all international, foreign, federal, state, provincial and local statutes, treaties, rules, legally binding guidelines, regulations, ordinances, codes and administrative or judicial precedents or authorities, including the common law, the interpretation or administration thereof by any Governmental Authority charged with the enforcement, interpretation or administration thereof, and all applicable administrative orders, licenses, authorizations and permits of, and agreements with, any Governmental Authority, in each case applicable to or binding upon such Person or any of its property or assets.

"Lender" means each financial institution listed on the signature pages hereto as a Lender as of the Closing Date, and any other Eligible Assignee that becomes a party hereto pursuant to an Assignment Agreement.

"Letter of Direction" has the meaning set forth in Section 3.01(l).

"Lien" means (a) any lien, mortgage, pledge, collateral assignment, security interest, charge or encumbrance of any kind (including any agreement to give any of the foregoing, any conditional sale or other title retention agreement, and any lease or license in the nature thereof) and any option, trust or other preferential arrangement having the practical effect of any of the foregoing and (b) in the case of Equity Interests, any purchase option, call or similar right of a third party with respect to such Equity Interests.

"Liquidity" means, as of any date of determination, the amount of Qualified Cash as of such date.

"Loan" means an Initial Term Loan, a Delayed Draw Term Loan, an Incremental Term Loan or any combination thereof.

"Loan Document" means any of this Agreement, the Notes, if any, the Security Documents, the Fee Letter, , the Warrants, the Intercompany Note, any Counterpart Agreement, any Deposit Account Control Agreement, any Securities Account Control Agreement, the Non-Recourse Pledge Agreements, the Collateral Assignment of Material Contracts, the Board Indemnification Agreement, any Landlord Waiver, all Compliance Certificates and all other documents, certificates, instruments or agreements executed and delivered by a Loan Party for the benefit of any Secured Party in connection herewith.

"Loan Party" means each Borrower and each Guarantor. For the avoidance of doubt, "Loan Parties" means each of the foregoing, collectively.

"Margin Stock" has the meaning set forth in Regulation U of the Board of Governors as in effect from time to time.

"Marijuana" means "marihuana" as defined in the Controlled Substances Act and any compound or product derived therefrom

"Material Adverse Effect" means any event, change, effect, development, circumstance or condition that has caused or could reasonably be expected to cause a material adverse change and/or material adverse development with respect to: (a) the business, assets, operations, condition (financial or otherwise), or results of operations of the Loan Parties and their Subsidiaries taken as a whole; (b) the ability of the Loan Parties (taken as a whole) to fully and timely perform their Obligations under the Loan Documents; (c) the legality, validity, binding effect or enforceability against a Loan Party of a Loan Document to which it is a party; or (d) the rights, remedies and benefits available to, or conferred upon, the Agents, the Lenders or the Secured Parties under the Loan Documents.

"Material Contract" means any contract or other arrangement (or series of contracts or arrangements) to which any Loan Party or any of its Restricted Subsidiaries is a party (other than the Loan Documents) (w) that is listed on Schedule 4.16 hereto, (x) for which breach, nonperformance, cancellation or failure to renew could reasonably be expected to have a Material Adverse Effect, (y) which is a lease agreement in respect of a Real Estate Asset tied to, or connected with, any Cannabis License provided by a Governmental Authority in respect of the Core Business, or (z) which constitutes [***]% or more of the aggregate revenue of the Loan Parties and their Restricted Subsidiaries at any time.

"Material Indebtedness" means Indebtedness (other than Credit Extensions) of any Loan Party or any of its Subsidiaries other than an Excluded Subsidiary in an individual principal amount of $[***] or more.

"Maturity Date" means the later to occur of (a) the third (3rd) anniversary of the Closing Date (the "Initial Term"), (b) the fourth (4th) anniversary of the Closing Date (the "Modified Term") if, and only if, the Borrowers have satisfied the Maturity Extension Initial Conditions, or (c) the fifth (5th) anniversary of the Closing Date if, and only if, the Borrowers have first satisfied the Maturity Extension Initial Conditions prior to the end of the Initial Term, and subsequently the Maturity Extension Secondary Conditions prior to the end of the Modified Term.

"Maturity Extension Initial Conditions" means, collectively, (i) no Default or Event of Default is continuing, (ii) the Borrowers have delivered to Administrative Agent, at least thirty (30) days prior to the end of the Initial Term and no more than sixty (60) days prior to the end of the Initial Term, written notice of the Borrower's request to extend the Initial Term to the fourth (4th) anniversary of the Closing Date, (iii) the Borrowers shall have paid or caused to be paid to the Administrative Agent, for the account of the Lenders, [***] percent ([***]%) of the principal amount of the Term Loans outstanding as of the day prior to the end of the Initial Term, which payment shall be applied as set forth in Section 2.12(a), and (iv) the Borrowers shall have paid or caused to be paid to the Administrative Agent a cash fee equal to [***] percent ([***]%) of the principal amount of the Term Loans outstanding as of the day prior to the end of the Initial Term, after giving effect to the payment described in clause (iii) above, and which such payment shall be fully earned when paid and non-refundable and non-creditable thereafter.

"Maturity Extension Secondary Conditions" means, collectively, (i) no Default or Event of Default is continuing, (ii) the Borrowers have delivered to Administrative Agent, at least thirty (30) days prior to the end of the Modified Term and no more than sixty (60) days prior to the end of the Modified Term, written notice of the Borrower's request to extend the Modified Term to the fifth (5th) anniversary of the Closing Date, (iii) the Borrowers shall have paid or caused to be paid to the Administrative Agent, for the account of the Lenders, [***] percent ([***]%) of the principal amount of the Term Loans outstanding as of the day prior to the end of the Modified Term, which payment shall be applied as set forth in Section 2.12(a), and (iv) the Borrowers shall have paid or caused to be paid to the Administrative Agent a cash fee equal to [***] percent ([***]%) of the principal amount of the Term Loans outstanding as of the day prior to the end of the Modified Term, after giving effect to the payment described in clause (iii) above, and which such payment shall be fully earned when paid and non-refundable and non-creditable thereafter.

[***]

"Modified Term" has the meaning set forth in the definition of "Maturity Date."

"Moody's" means Moody's Investor Services, Inc. and any successor thereto.

"Multiemployer Plan" means any "multiemployer plan" as defined in Section 3(37) or Section 4001(a)(3) of ERISA, to which any Loan Party, any of its Subsidiaries or any of their respective ERISA Affiliates has made or has been obligated to make contributions during the last six (6) years.

"NAIC" means The National Association of Insurance Commissioners, and any successor thereto.

"Narrative Report" means, with respect to the financial statements for which such narrative report is required, a narrative report describing the operations of Holdings and its Restricted Subsidiaries for the applicable Fiscal Quarter or Fiscal Year and for the period from the beginning of the then current Fiscal Year to the end of such period to which such financial statements relate with comparison to and variances from (a) the same period for the preceding Fiscal Year and (b) the budget.

"Net Cash Proceeds" means (a) with respect to any Asset Sale or Sale and Leaseback Transaction, as applicable, an amount equal to: (i) Cash payments (including any Cash received by way of deferred payment pursuant to, or by monetization of, a note receivable or otherwise, but only as and when so received) received by any Loan Party from such Asset Sale or Sale and Leaseback Transaction, as applicable, minus (without duplication) (ii) any bona fide direct costs incurred in connection with such Asset Sale or Sale and Leaseback Transaction, as applicable, and payable, directly or indirectly, to any Person that is not an Affiliate of any Loan Party, including (A) Taxes payable by the seller as a result of any gain recognized in connection with such Asset Sale or Sale and Leaseback Transaction, as applicable, (B) payment of the outstanding principal amount of, premium or penalty, if any, and interest on any Indebtedness (other than the Loans) that is secured by a Lien on the Equity Interests or assets in question and that is required to be repaid under the terms thereof as a result of such Asset Sale or Sale and Leaseback Transaction, as applicable, (C) a reasonable reserve for any purchase price adjustment (including any working capital adjustment) or indemnification payments (fixed or contingent) attributable to seller's indemnities and representations and warranties to purchaser in respect of such Asset Sale or Sale and Leaseback Transaction, as applicable, undertaken by any Loan Party or any Restricted Subsidiary thereof in connection with such Asset Sale or Sale and Leaseback Transaction, as applicable, and (D) the out-of-pocket bona fide expenses, costs and fees incurred with respect to legal, investment banking, brokerage, advisor and accounting and other professional fees, sales commissions and disbursements, in each case actually incurred in connection with such Asset Sale or Sale and Leaseback Transaction, as applicable, and payable to a Person that is not an Affiliate of any Loan Party; (b) (i) any Cash payments or proceeds received by any Loan Party or Administrative Agent as lender loss payee (A) under any casualty insurance policy in respect of a covered loss thereunder or (B) as a result of the taking of any assets of any Loan Party by any Person pursuant to the power of eminent domain, condemnation or otherwise, or pursuant to a sale of any such assets to a purchaser with such power under threat of such a taking, minus (ii) (A) any actual and reasonable costs incurred by any Loan Party or any Restricted Subsidiary thereof in connection with the adjustment or settlement of any claims of any Loan Party or any Restricted Subsidiary thereof in respect thereof, and (B) any bona fide direct costs incurred in connection with any sale of such assets as referred to in preceding clause (i)(B) and payable to a Person that is not an Affiliate of any Loan Party, including taxes payable as a result of any gain recognized in connection therewith; (c) with respect to any issuance or incurrence of Indebtedness, the Cash proceeds thereof, net of underwriting discounts and commissions and other reasonable costs and expenses associated therewith, including expenses payable to a Person (but not fees) that is not an Affiliate of any Loan Party; (d) with respect to any Extraordinary Receipt, the Cash proceeds received by or paid to or for the account of any Loan Party, minus any bona fide direct costs incurred in connection therewith and payable, directly or indirectly, to any Person that is not an Affiliate of any Loan Party; and (e) with respect to any issuance of Equity Interests, the Cash proceeds received by or for the account of any Loan Party, minus any bona fide direct costs incurred in connection with such issuance and other reasonable costs and expenses associated therewith, including expenses payable to a Person (but not fees) that is not an Affiliate of any Loan Party.

"Non-Public Information" means information which has not been disseminated in a manner making it available to investors generally, within the meaning of Regulation FD.

"Non-Recourse Pledge Agreement (Ascend ILH)" means the Non-Recourse Pledge Agreement dated as of the Closing Date, by each of Abner Kurtin, Frank Perullo and Steve Rohlfing, in favor of the Collateral Agent, in respect of the Equity Interests of Ascend ILH.

"Non-Recourse Pledge Agreement (Ascend IL)" means the Non-Recourse Pledge Agreement dated as of the Closing Date, by each of Abner Kurtin, Frank Perullo and Steve Rohlfing, in favor of the Collateral Agent, in respect of the Equity Interests of Ascend IL.

"Non-Recourse Pledge Agreements" means, collectively, (a) the Non-Recourse Pledge Agreement (Ascend ILH), (b) the Non-Recourse Pledge Agreement (Ascend IL), and (c) any other non-recourse pledge agreement entered into by any Person granting a Lien to the Collateral Agent in the Equity Interests of a Loan Party or any of their Subsidiaries as security for the Obligations.

"Note" means an Initial Term Loan Note or a Delayed Draw Term Loan Note.

"Obligations" means all obligations of every nature of each Loan Party, including obligations from time to time owed to Agents, Lenders or any of them or any other Person required to be indemnified, under any Loan Document, whether for principal, interest (including interest which, but for the filing of a petition in bankruptcy with respect to such Loan Party, would have accrued on any Obligation, whether or not a claim is allowed against such Loan Party for such interest in the related bankruptcy proceeding), fees, expenses or indemnification. Notwithstanding the foregoing, the "Obligations" shall not include any obligations arising under the Warrants other than the contingent obligations of Holdings to issue Equity Interests thereunder upon exercise of the Warrants.

"Obligee Guarantor" has the meaning set forth in Section 7.07.

"OFAC" means the U.S. Treasury Department Office of Foreign Assets Control.

"Organizational Documents" means with respect to any Person all formation, organizational and governing documents, instruments and agreements, including (a) with respect to any corporation, its certificate or articles of incorporation or organization and its by-laws, (b) with respect to any limited partnership, its certificate of limited partnership and its partnership agreement, (c) with respect to any general partnership, its partnership agreement and (d) with respect to any limited liability company, its articles of organization and its operating agreement. In the event any term or condition of this Agreement or any other Loan Document requires any Organizational Document to be certified by a secretary of state or similar governmental official, the reference to any such "Organizational Document" shall only be to a document of a type customarily certified by such governmental official.

"Other Connection Taxes" means, with respect to Agent, any Lender or any other recipient, Taxes imposed as a result of a present or former connection between such recipient and the jurisdiction imposing such Tax (other than connections arising from such recipient having executed, delivered, become a party to, performed its obligations under, received payments under, received or perfected a security interest under, engaged in any other transaction pursuant to or enforced any Loan Document, or sold or assigned an interest in any Loan or Loan Document).

"Other Taxes" means any and all present or future stamp, court or documentary, intangible, recording, filing or similar Taxes arising from any payment made hereunder or from the execution, delivery or enforcement or registration of, from the receipt or perfection of a security interest under, or otherwise

with respect to, this Agreement or any other Loan Document, except any such Taxes that are Other Connection Taxes imposed with respect to an assignment.

"Participant Register" has the meaning set forth in Section 10.06(g)(iv).

"PATRIOT Act" has the meaning set forth in Section 3.01(j).

"PBGC" means the Pension Benefit Guaranty Corporation or any successor thereto.

"Pension Plan" means any employee benefit plan, other than a Multiemployer Plan, which is subject to Section 412 or Section 430 of the Internal Revenue Code or Section 302 of ERISA to which any Loan Party, any Subsidiary of a Loan Party or any ERISA Affiliate contributes or has any liability.

"Perfection Certificate" means a certificate substantially in the form of Exhibit M, with such amendments or modifications as may be reasonably approved by the Administrative Agent.

"Permitted Acquisition" means any acquisition by the Borrowers or any Guarantor, whether by purchase, merger or otherwise, of all or substantially all of the assets of, all or substantially all of the Equity Interests of, or a business line or unit or a division of, any Person; provided, that:

(i) at the time thereof and after giving pro forma effect thereto, (x) no Default or Event of Default shall have occurred and be continuing or would result therefrom and (y) the representations and warranties contained herein and in the other Loan Documents shall be true and correct in all material respects, except to the extent such representations and warranties specifically relate to an earlier date or a specific date (e.g. a Credit Date), in which case such representations and warranties shall have been true and correct in all material respects on and as of such earlier date or specific date; provided, that to the extent any such representation or warranty is already qualified by materiality or material adverse effect, such representation or warranty shall be true and correct in all respects;

(ii) all transactions in connection therewith shall be consummated in accordance with all applicable Laws and in conformity with all applicable Governmental Authorizations;

(iii) [reserved];

(iv) in the case of the acquisition of Equity Interests, the Equity Interests acquired or otherwise issued by such Person or any newly formed Subsidiary of the applicable Loan Party in connection with such acquisition shall be owned no less than [***] percent ([***]%) (on a current and on a fully-diluted basis) by the applicable Loan Party, and the applicable Loan Party shall have taken, or caused to be taken, as of the date such Person becomes a Subsidiary (other than an Excluded Subsidiary) of the applicable Loan Party (or promptly thereafter if agreed to in writing by the Collateral Agent in its sole discretion), each of the actions set forth in Sections 5.10, 5.11, 5.12, 5.14, 5.15, 5.16 and 5.18, as applicable;

(v) calculated on a pro forma basis immediately after giving effect to such acquisition (i) the Loan Parties shall be in compliance with the Financial Covenant set forth in Section 6.07 as of the last day of the Fiscal Month most recently ended, and (ii) Holdings shall have demonstrated projected pro forma compliance with the Financial Covenant set forth in Section 6.07 for the immediately succeeding twelve (12) full Fiscal Month period ending after the consummation of the applicable proposed acquisition;

(vi) the applicable Loan Party shall have delivered to the Administrative Agent as soon as possible and in any event at least fifteen (15) Business Days prior to consummating such proposed acquisition (in each case, or such shorter period as may be reasonably agreed by the Administrative Agent): (a) a Compliance Certificate evidencing compliance with clause (v) above, (b) a copy of the most recently available draft purchase agreement related to the proposed acquisition (and any related material documents reasonably requested by the Administrative Agent), (c) quarterly and annual financial statements of the Person whose Equity Interests or assets are being acquired for the twelve-month period immediately prior to such proposed acquisition (and for any earlier twelve-month periods to the extent financial statements for such period(s) are available), including any audited financial statements, in each case, that are made available by the seller to the applicable Loan Party, and (d) quarterly financial projections for the Person whose Equity Interests or assets are being acquired for one (1) year immediately following such acquisition;

(vii) any Person or assets or division as acquired in accordance herewith shall be in the same or substantially related business or lines of business to the Core Business and;

(viii) such acquisition shall be consensual and shall have been approved by the target's board of directors to the extent applicable;

(ix) any Person or assets or division as acquired in accordance herewith shall be domiciled in the United States; and

(x) the Cash portion of the Acquisition Consideration shall not exceed $[***] in the aggregate during the term of this Agreement for all Permitted Acquisitions, provided, however, that (i) the acquisition of up to [***] additional dispensaries in Illinois for an aggregate purchase price of up to $[***], and (ii) the acquisition of the Equity Interests of Ascend ILH shall not count towards the $[***] cap.

"Permitted Asset Sale" means those Asset Sales permitted pursuant to Section 6.08.

"Permitted Liens" means those Liens permitted pursuant to Section 6.02.

"Persons" means natural persons, corporations, limited partnerships, general partnerships, limited liability companies, limited liability partnerships, joint stock companies, joint ventures, associations, companies, trusts, banks, trust companies, land trusts, business trusts or other organizations, whether or not legal entities, and Governmental Authorities.

"Platform" means any electronic system approved by the Administrative Agent, including Dropbox, Box.com and any other Internet or extranet-based site, whether such electronic system is owned, operated or hosted by the Administrative Agent or any other Person, providing for access to data protected by passcodes or other security system.

"Pledge and Security Agreement" means the Pledge and Security Agreement to be executed by the Borrowers and each Guarantor in substantially the form of Exhibit I, with such amendments or modifications as may be reasonably approved by the Administrative Agent and the Borrowers, and as it may be amended, restated, supplemented or otherwise modified from time to time pursuant to the terms thereof.

"Principal Office" means, for each of the Administrative Agent and Borrowers, such Person's "Principal Office" as set forth on Schedule 1.01(c), or such other account, office or office of a third party or sub-agent, as appropriate, as such Person may from time to time designate in writing to the Borrowers, the Administrative Agent and each Lender.

"Pro Rata Share" means: (a) with respect to all payments, computations and other matters relating to the Initial Term Loan of any Lender, the percentage obtained by dividing (i) the Initial Term Loan Exposure of that Lender by (ii) the aggregate Initial Term Loan Exposure of all Lenders; (b) with respect to all payments, computations and other matters relating to the Delayed Draw Term Loan Commitment, the percentage obtained by dividing (i) the Delayed Draw Term Loan Commitment of that Lender by (ii) the aggregate Delayed Draw Term Loan Commitments of all Lenders; and (c) with respect to all payments, computations and other matters relating to a Delayed Draw Term Loan of any Lender, the percentage obtained by dividing (i) the Delayed Draw Term Loan Exposure of that Lender by (ii) the aggregate Delayed Draw Term Loan Exposure of all Lenders. For all other purposes with respect to each Lender, "Pro Rata Share" means the percentage obtained by dividing (A) an amount equal to the sum of the Initial Term Loan Exposure and the Delayed Draw Term Loan Exposure of that Lender, by (B) an amount equal to the sum of the aggregate Initial Term Loan Exposure and the aggregate Delayed Draw Term Loan Exposure of all Lenders.

"Projections" has the meaning set forth in Section 4.08.

"Qualified Cash" means, as of any date of determination, the amount of unrestricted Cash and Cash Equivalents of the Group Members (other than any Excluded Subsidiaries) on such date that are in Deposit Accounts subject to a Deposit Account Control Agreement.

"Real Estate Asset" means, at any time of determination, any interest (fee or leasehold) then owned by any Loan Party in any real property.

"Register" has the meaning set forth in Section 2.05(b).

"Regulation D" means Regulation D of the Board of Governors, as in effect from time to time.

"Regulation FD" means Regulation FD as promulgated by the SEC under the Securities Act and Exchange Act.

"Regulation U" means Regulation U of the Board of Governors, as in effect from time to time.

"Regulation X" means Regulation X of the Board of Governors, as in effect from time to time.

"Related Fund" means, with respect to any Lender that is an investment fund, any other investment fund that invests in commercial loans and that is managed or advised by the same investment manager or advisor as such Lender or by an Affiliate of such investment manager or advisor.

"Related Transaction Documents" means the Loan Documents and [***].

"Release" means any release, spill, emission, leaking, pumping, pouring, injection, escaping, deposit, disposal, discharge, dispersal, dumping, leaching or migration of any Hazardous Material

into the environment (including the abandonment or disposal of any barrels, containers or other closed receptacles containing any Hazardous Material), including the movement of any Hazardous Material through the air, soil, surface water or groundwater.

"Required Holders" means (i) AGP Partners, LLC, and (ii) such Person or Persons consented to by the Required Lenders, which consent shall not be unreasonably withheld, delayed or conditioned.

"Required Lenders" means, at any time, Lenders representing more than [***]% of the sum of (i) the aggregate Initial Term Loan Exposure of all Lenders and (ii) the aggregate Delayed Draw Term Loan Exposure of all Lenders; provided that if there are two or more Lenders hereunder, then Required Lenders shall also include at least two such Lenders. For purposes hereof, Lenders that are Affiliates or Related Funds of each other shall be deemed to be a single Lender.

"Restricted Payment" means (i) any dividend or other distribution, direct or indirect, on account of any shares of any Equity Interests (including Disqualified Equity Interests) of any Loan Party or any of its Restricted Subsidiaries now or hereafter outstanding, except a dividend payable solely in shares of Equity Interests of such Person (other than Disqualified Equity Interests); (ii) any redemption, retirement, sinking fund or similar payment, purchase or other acquisition for value, direct or indirect, of any shares of any class of Equity Interests (including Disqualified Equity Interests) of any Loan Party or any of its Restricted Subsidiaries now or hereafter outstanding; (iii) any payment made to retire, or to obtain the surrender of, any outstanding warrants, options or other rights to acquire shares of any Equity Interests (including Disqualified Equity Interests) of any Loan Party or any of its Restricted Subsidiaries now or hereafter outstanding; (iv) any payment or prepayment of Contingent Acquisition Consideration; (v) any voluntary or optional payment or prepayment on (including in respect of principal and interest), or repurchase, redemption, defeasance or acquisition for value of, or any prepayment or redemption as a result of any asset sale or other disposition, "change of control" or similar event of, any Subordinated Indebtedness prior to the scheduled maturity thereof; (vi) any payment of any management, consulting, advising or similar fees to any Required Holder (or any Affiliates thereof) or any other holder of Equity Interests of a Loan Party or Restricted Subsidiary of a Loan Party (or any Affiliates thereof), and (vii) any payments on account of [***].

"Restricted Subsidiary" means each Subsidiary other than an Excluded Subsidiary.

"S&P" means Standard & Poor's Rating Agency Group.

"SAI" has the meaning set forth in the preamble hereto.

"Sale and Leaseback Transaction" means, with respect to any Loan Party or any Restricted Subsidiary, any arrangement, directly or indirectly, with any Person whereby such Loan Party or Restricted Subsidiary shall sell or transfer any property used or useful in its business, whether now owned or hereafter acquired, and thereafter rent or lease such property or other property that it intends to use for substantially the same purpose or purposes as the property being sold or transferred.

"Sanctioned Entity" means (a) a country or a government of a country, (b) an agency of the government of a country, (c) an organization directly or indirectly controlled by a country or its government or (d) a Person resident in or determined to be resident in a country, in each case, that is subject to a country sanctions program administered and enforced by OFAC.

"Sanctioned Person" means a person named on the list of "Specially Designated Nationals" maintained by OFAC.

"SEC" means the United States Securities and Exchange Commission and any successor Governmental Authority performing a similar function.

"Secured Parties" has the meaning set forth in the Pledge and Security Agreement.

"Securities Account" means (a) all "securities accounts" as defined in Article 8 of the UCC and (b) all of the accounts listed on Schedule 4.4 to the Pledge and Security Agreement under the heading "Securities Accounts" (as such Schedule may be amended or supplemented from time to time in accordance with the Pledge and Security Agreement).

"Securities Account Control Agreement" means, with respect to any Securities Account or Commodity Account, an agreement in form and substance satisfactory to the Collateral Agent, among the Collateral Agent, the Securities Intermediary with which the applicable entitlement or contract is carried and the Loan Party owning such entitlement or contract, that is effective for the Collateral Agent to obtain "control" (within the meaning of Articles 8 and 9 under the UCC) of such account

"Securities Act" means the Securities Act of 1933, as amended from time to time, and any successor statute.

"Securities Intermediary" means a "securities intermediary" or "commodity intermediary" (as such terms are defined in the UCC).

"Security Documents" means the Pledge and Security Agreement, the Intellectual Property Security Agreements (if any), any Collateral Assignment of Material Contracts, the Collateral Assignment of [***], the Non-Recourse Pledge Agreements, the Landlord Waivers and bailee waivers (if any), the Perfection Certificate, and all other instruments, documents and agreements delivered by any Loan Party pursuant to this Agreement or any of the other Loan Documents in order to grant to the Collateral Agent, for the benefit of Secured Parties, a Lien on any Collateral of that Loan Party as security for the Obligations, including UCC financing statements and amendments thereto (if any) and filings with the U.S. Patent and Trademark Office and the U.S. Copyright Office (if any).

"Solvency Certificate" means a Solvency Certificate of an Authorized Officer of Holdings in substantially the form of Exhibit G-2, with such amendments or modifications as may be reasonably approved by the Administrative Agent.

"Solvent" means, with respect to the Loan Parties, that as of the date of determination, both (a) the sum of the debt (including contingent liabilities as determined below) of the Loan Parties and their Restricted Subsidiaries, on a consolidated basis, does not exceed the then current Fair Value of assets of the Loan Parties and their Restricted Subsidiaries, on a consolidated basis; (b) the capital of the Loan Parties and their Restricted Subsidiaries, on a consolidated basis, is not unreasonably small in relation to their business as contemplated on the Closing Date or with respect to any transaction contemplated to be undertaken after the Closing Date; and (c) the Loan Parties and their Restricted Subsidiaries, on a consolidated basis, have not incurred and do not intend to incur debts beyond their ability to pay such debts as they become due in the ordinary course of business. For purposes of this definition, the amount of any contingent liability at any time shall be computed as the amount that, in light of all of the facts and circumstances existing at such time, represents the amount that could reasonably be expected to become an actual or matured liability (irrespective of whether such contingent liabilities meet the criteria for accrual under Statement of Financial Accounting Standard No. 5).

[***]

"Subordinated Indebtedness" means any Indebtedness of any Loan Party or any Restricted Subsidiary of any Loan Party which is subordinated to the Obligations as to right of payment and having such subordination terms as are satisfactory to the Administrative Agent, including any Contingent Acquisition Consideration.

"Subsidiary" means, with respect to any Person (the "parent"), (a) any corporation, partnership, limited liability company, association, joint venture or other business entity of which more than fifty percent (50.00%) of the total voting power of shares of stock or other ownership interests entitled (without regard to the occurrence of any contingency) to vote in the election of the Person or Persons (whether directors, managers, trustees or other Persons performing similar functions) having the power to direct or cause the direction of the management and policies thereof is at the time owned or controlled, directly or indirectly, by that Person or one or more of the other Subsidiaries of that Person or a combination thereof and (b) any other Person the accounts of which would be consolidated with those of the parent in the parent's consolidated financial statements if such financial statements were prepared in accordance with GAAP as of the date of determination. Unless the context otherwise requires, each reference to a Subsidiary shall be a reference to a direct or indirect Subsidiary of Holdings.

"Subsidiary Guarantor" means each Guarantor that is a Subsidiary of Holdings.

"Synthetic Lease" means, as to any Person, (a) any lease (including leases that may be terminated by the lessee at any time) of any property (i) that is accounted for as an operating lease under GAAP and (ii) in respect of which the lessee retains or obtains ownership of the property so leased for U.S. federal Income Tax purposes, other than any such lease under which such Person is the lessor or (b) (i) a synthetic, off-balance sheet or tax retention lease, or (ii) an agreement for the use or possession of property, in each case under this clause (b), creating obligations that do not appear on the balance sheet of such Person but which, upon the application of any Insolvency Laws to such Person, would be characterized as the indebtedness of such Person (without regard to accounting treatment).

"Synthetic Lease Obligations" means, as to any Person, an amount equal to the capitalized amount of the remaining lease payments under any Synthetic Lease that would appear on a balance sheet of such Person in accordance with GAAP if such obligations were accounted for as obligations with respect to Capital Leases on a balance sheet in conformity with GAAP.

"Tax" or "Taxes" means any present or future tax, levy, impost, duty, assessment, charge, fee, deduction or withholding (including backup withholding) imposed by any Governmental Authority including any interest, penalties and additions related thereto.

"Term Loan Commitment" means the Initial Term Loan Commitment or any Delayed Draw Term Loan Commitment, and "Term Loan Commitments" means such commitments of all Lenders.

"Term Loan Maturity Date" means the earlier of (i) the Maturity Date and (ii) the date on which all Term Loans shall become due and payable in full hereunder, whether by acceleration or otherwise.

"Term Loans" means, collectively, the Initial Term Loans, the Delayed Draw Term Loan and any Incremental Term Loans made pursuant to Section 2.17.

"Total Utilization of Delayed Draw Term Loan Commitments" means, as at any date of determination, the sum of the aggregate principal amount of the Delayed Draw Term Loans previously funded.

"Transaction Costs" means the documented (in summary form upon the reasonable request of the Administrative Agent) fees, costs and expenses payable by Holdings or any Restricted Subsidiaries in connection with the transactions contemplated by the Related Transaction Documents.

"UCC" means the Uniform Commercial Code (or any similar or equivalent legislation) as in effect in any applicable jurisdiction.

"Warrant Holder" means Seventh Avenue Investments, LLC.

"Warrant Obligation" means the obligation of Holdings to grant to the Warrant Holder on the Closing Date warrants in an aggregate amount representing 3,800,000 Common Units (as defined in the Holdings LLC Agreement) of Holdings.

"Warrants" means, collectively, those certain Warrants dated as of the Closing Date, between the Warrant Holder and Holdings, and the units of Holdings issued thereunder pursuant to the Warrant Obligation.

"Withholding Agent" means the Borrowers, any other Loan Party and the Administrative Agent.

Section 1.02 Accounting Terms

Except as otherwise expressly provided herein, all accounting terms not otherwise defined herein shall have the meanings assigned to them in conformity with GAAP. Financial statements and other information required to be delivered by Holding, Borrowers or Borrower Representative to Lenders shall be prepared in accordance with GAAP as in effect at the time of such preparation (and delivered together with the reconciliation statements provided for in Section 5.01(f), if applicable). Subject to the foregoing, calculations in connection with the definitions, covenants and other provisions hereof shall utilize accounting principles and policies in conformity with those used to prepare the Historical Financial Statements (other than changes as required under GAAP). If at any time any change in GAAP would affect the computation of any Financial Covenant, ratio or other test set forth in any Loan Document, and either the Borrower Representative or the Required Lenders shall so request, the Administrative Agent, the Required Lenders and the Borrower Representative shall negotiate in good faith to amend such ratio or requirement to preserve the original intent thereof in light of such change in GAAP (subject to the reasonable approval of the Required Lenders); provided, that, until so amended, (A) such ratio or requirement shall continue to be computed in accordance with GAAP prior to such change therein and (B) the Borrower Representative shall provide to the Administrative Agent and the Lenders financial statements and other documents required under this Agreement or as reasonably requested by the Administrative Agent setting forth a reconciliation between calculations of such ratio or requirement made before and after giving effect to such change in GAAP.

Section 1.03 Interpretation, Etc.

Any of the terms defined herein may, unless the context otherwise requires, be used in the singular or the plural, depending on the reference. References herein to any Article, Section, Schedule or Exhibit shall be to an Article, a Section, a Schedule or an Exhibit, as the case may be, hereof unless otherwise specifically provided. The use herein of the word "include" or "including", when following any general statement, term or matter, shall not be construed to limit such statement, term or matter to the specific items or matters set forth immediately following such word or to similar items or matters, whether or not non-limiting language (such as "without limitation" or "but not limited to" or words of similar import) is used with reference thereto, but rather shall be deemed to refer to all other items or matters that fall within the broadest possible scope of such general statement, term or matter. The word "will" shall be construed to have the same meaning and effect as the word "shall"; and the words "asset" and "property" shall be construed as having the same meaning and effect and to refer to any and all tangible and intangible assets and properties, including Cash, securities, accounts and contract rights. The terms lease and license shall include sub-lease and sub-license, as applicable. Whenever the context may require, any pronoun shall include the corresponding masculine, feminine and neuter forms. Except as otherwise expressly provided herein or therein, any reference in this Agreement or any other Loan Document to any agreement, document or instrument shall mean such agreement, document or instrument as amended, restated, supplemented or otherwise modified from time to time, in each case, in accordance with the express terms of this Agreement or such Loan Document. Any reference herein or in any other Loan Document to the satisfaction, repayment, or payment in full of the Obligations or Guaranteed Obligations (or words of like import) shall mean (a) the payment or repayment in full in immediately available funds of (i) the principal amount of, and interest accrued and unpaid with respect to, all outstanding Loans, together with the payment of any premium applicable to the repayment of the Loans, (ii) all reasonable, out of pocket costs and expenses due and payable by the Loan Parties to any Agent or Lender pursuant to the Loan Documents and that have accrued and are unpaid regardless of whether demand has been made therefor, (iii) all fees or charges that have accrued hereunder or under any other Loan Document and are unpaid, (b) the payment or repayment in full in immediately available funds of all other outstanding Obligations other than unasserted contingent indemnification Obligations, and (c) the termination in writing of all of the Commitments of the Lenders. For purposes of determining compliance with any Section of Article VI, in the event that any Lien, Investment, Indebtedness, Asset Sale, Restricted Payment, transaction with Affiliates or contractual obligation meets the criteria of more than one of the categories of transactions permitted pursuant to such Section, such transaction (or portion thereof) at any time, shall be permitted under such clauses of such Section as determined by the Borrower Representative in its sole discretion at such time (but, for the avoidance of doubt, in order to comply with Article VI, such Lien, Investment, Indebtedness, Asset Sale, Restricted Payment, transaction with Affiliates or contractual obligation must comply with all applicable Sections).

Section 1.04 Divisions

For all purposes under the Loan Documents, in connection with any division or plan of division under Delaware law (or any comparable event under a different jurisdiction's laws): (a) if any asset, right, obligation or liability of any Person becomes the asset, right, obligation or liability of a different Person, then it shall be deemed to have been transferred from the original Person to the subsequent Person, and (b) if any new Person comes into existence, such new Person shall be deemed to have been organized on the first date of its existence by the holders of its Equity Interests at such time.

ARTICLE II
LOANS

Section 2.01 Term Loans.

(a) Initial Term Loan Commitments. Subject to the terms and conditions hereof, each Lender severally agrees to make, on the Closing Date, an Initial Term Loan to the Borrowers in an amount equal to such Lender's Initial Term Loan Commitment. The Borrowers may make only one borrowing under the Initial Term Loan Commitment which shall be on the Closing Date. Any amount borrowed under this Section 2.01(a) and subsequently repaid or prepaid may not be reborrowed. All amounts owed hereunder with respect to the Initial Term Loans shall be paid in accordance with the payment terms set forth herein (including, without limitation, payment terms with respect to interest payments set forth in Section 2.06 and mandatory prepayments, if any, set forth in Section 2.11) and, in any event, the Initial Term Loan shall be paid in full no later than the Term Loan Maturity Date. Each Lender's Initial Term Loan Commitment shall terminate immediately and without further action on the Closing Date after giving effect to the funding of such Lender's Initial Term Loan Commitment on such date.

(b) Borrowing Mechanics for Term Loans.

(i) The Borrowers shall deliver to the Administrative Agent a fully executed Borrowing Notice not later than 2:00 p.m. (New York City time) one (1) Business Day prior to the Closing Date. Promptly upon receipt by the Administrative Agent of such Borrowing Notice, the Administrative Agent shall notify each Lender with an Initial Term Loan Commitment of the proposed borrowing.

(ii) Each Lender with an Initial Term Loan Commitment shall make its Initial Term Loan available to the Administrative Agent not later than 12:00 p.m. (New York City time) on the Closing Date, by wire transfer of same day funds in Dollars, at the Principal Office designated by the Administrative Agent. Upon satisfaction or waiver of the conditions precedent specified herein, the Administrative Agent shall make the proceeds of the Initial Term Loans available to the Borrowers on the Closing Date by causing an amount of same day funds in Dollars equal to the proceeds of all such Loans received by the Administrative Agent from Lenders to be wired to the account of the Borrowers or such other Person as may be designated in writing to the Administrative Agent by the Borrower Representative.

Section 2.02 Delayed Draw Term Loans.

(a) Delayed Draw Term Loan Commitments. During the Delayed Draw Term Loan Commitment Period, subject to the terms and conditions hereof, each Lender severally agrees to make Delayed Draw Term Loans to the Borrowers in an aggregate amount up to but not exceeding such Lender's Delayed Draw Term Loan Commitment; provided, that after giving effect to the making of any Delayed Draw Term Loan, in no event shall the Total Utilization of Delayed Draw Term Loan Commitments exceed the Delayed Draw Term Loan Commitments then in effect. Any amount borrowed under this Section 2.02(a) and subsequently repaid or prepaid may not be reborrowed. Each Lender's applicable Delayed Draw Term Loan Commitment shall expire on the Delayed Draw Term Loan Commitment Termination Date and all Delayed Draw Term Loans and all other amounts owed hereunder with respect to the Delayed Draw Term Loans and the Delayed Draw Term Loan Commitments shall be paid in full no later than the Term Loan Maturity Date.

(b) Borrowing Mechanics for the Delayed Draw Term Loans.

(i) Delayed Draw Term Loans shall be in an aggregate minimum amount of $[***] and integral multiples of $[***] in excess of that amount (or, if the then aggregate unused portion of the Delayed Draw Term Loan Commitments are less than $[***], such lesser amount).

(ii) Whenever the Borrowers desire that Lenders make a Delayed Draw Term Loan, the Borrowers shall deliver to the Administrative Agent a fully executed and delivered Borrowing Notice no later than 2:00 pm (New York City time) ten (10) Business Days in advance of the proposed Credit Date. Except as provided herein, a Borrowing Notice for the Delayed Draw Term Loan shall be irrevocable, and the Borrowers shall be bound to make the borrowing in accordance therewith.

(iii) Notice of receipt of the Borrowing Notice in respect of the Delayed Draw Term Loan, together with the amount of each Lender's Pro Rata Share thereof, if any, shall be provided by the Administrative Agent to each applicable Lender with reasonable promptness on the same day as the Administrative Agent's receipt of such Borrowing Notice from the Borrowers (if received in a timely manner).

(iv) Each Lender shall make the amount of its Delayed Draw Term Loan available to the Administrative Agent not later than 2:00 p.m. (New York City time) on the applicable Credit Date by wire transfer of same day funds in Dollars, at the Principal Office designated by the Administrative Agent. Except as provided herein, upon satisfaction or waiver of the conditions precedent specified herein, the Administrative Agent shall make the proceeds of such Delayed Draw Term Loan available to the Borrowers on applicable Credit Date by causing an amount of same day funds in Dollars equal to the proceeds of all such Delayed Draw Term Loans received by the Administrative Agent from Lenders to be wired to the account of the Borrowers or such other Person as may be designated in writing to the Administrative Agent by the Borrower Representative.

Section 2.03 Pro Rata Shares; Availability of Funds.

(a) Pro Rata Shares. All Loans shall be made by Lenders simultaneously and proportionately to their respective Pro Rata Shares, it being understood that no Lender shall be responsible for any default by any other Lender in such other Lender's obligation to make a Loan requested hereunder nor shall any Term Loan Commitment or any Delayed Draw Term Loan Commitment of any Lender be increased or decreased as a result of a default by any other Lender in such other Lender's obligation to make a Loan requested hereunder.

(b) Availability of Funds. Unless the Administrative Agent shall have been notified by any Lender prior to the applicable Credit Date that such Lender does not intend to make available to the Administrative Agent the amount of such Lender's Loan requested on such Credit Date, the Administrative Agent may assume that such Lender has made such amount available to the Administrative Agent on such Credit Date and the Administrative Agent may, in its sole discretion, but shall not be obligated to, make available to the Borrowers a corresponding amount on such Credit Date. If such corresponding amount is not in fact made available to the Administrative Agent by such Lender, the Administrative Agent shall be entitled to recover such corresponding amount on demand from such Lender together with interest thereon, for each day from such Credit Date until the date such amount is paid to the Administrative Agent, at the customary rate set by the Administrative Agent for the correction of errors among banks for three (3) Business Days. If such Lender does not pay such corresponding amount forthwith upon the Administrative Agent's demand therefor, the Administrative Agent shall promptly notify Borrower Representative and Borrowers shall immediately pay such corresponding amount to the Administrative Agent together with interest thereon, for each day from such Credit Date until the date such amount is paid to the Administrative Agent. Nothing in this Section 2.03(b) shall be deemed to relieve any Lender from its obligation to fulfill its Term Loan Commitment hereunder or to prejudice any rights that the Borrowers may have against any Lender as a result of any default by such Lender hereunder.

Section 2.04 Use of Proceeds

The proceeds of (a) the Initial Term Loans on the Closing Date shall be used to (i) [***] (ii) [***] (iii) pay the Transaction Costs, (iv) for working capital and other general corporate purposes of the Borrowers and their Restricted Subsidiaries, (v) fund [***] (including repayment of any Indebtedness in connection therewith) and pay fees and expenses in connection therewith, (vi) Capital Expenditures and for working capital and other general corporate purposes, and (vii) to fund Permitted Acquisitions. The Delayed Draw Term Loans shall be used after the Closing Date to fund the acquisition of up to 4 additional dispensaries that constitute Permitted Acquisitions (including repayment of any Indebtedness in connection therewith) and pay fees and expenses in connection therewith. The Incremental Term Loans shall be used after the Closing Date to fund Permitted Acquisitions or Capital Expenditures and for working capital and other general corporate purposes. No portion of the proceeds of any Credit Extension shall be used in any manner that causes such Credit Extension or the application of such proceeds to violate Regulation T, Regulation U or Regulation X or any other regulation of the Board of Governors or to violate the Exchange Act.

Section 2.05 Evidence of Debt; Register; Notes.

(a) Lenders' Evidence of Debt. Each Lender shall maintain on its internal records an account or accounts evidencing the Obligations of the Borrowers to such Lender, including the amounts of the Loans made by it and each repayment and prepayment in respect thereof. Any such recordation shall be conclusive and binding on the Borrowers, absent manifest error; provided, that the failure to make any such recordation, or any error in such recordation, shall not affect any Lender's Delayed Draw Term Loan Commitment or the Borrowers' Obligations in respect of any Loans; provided, further, that in the event of any inconsistency between the Register and any Lender's records, the recordations in the Register shall govern. In the event that a Note is ever lost, stolen, destroyed, or mutilated, upon the receipt of an affidavit of an officer of any Lender as to such loss, theft, destruction or mutilation, together with customary indemnifications from such Lender as reasonably required by the Borrowers, the Borrowers shall issue, in lieu thereof, a replacement Note in the same principal amount thereof and otherwise of like tenor.

(b) Register. The Administrative Agent (or its agent or sub-agent appointed by it) shall, solely in this capacity as a non-fiduciary agent of the Borrowers, maintain at one of its offices located in the United States a register for the recordation of the names and addresses of Lenders (including any assignments and assumptions) and Loans of, and principal amounts (and stated interest) of and owing to, each Lender from time to time (the "Register"). The Register shall be available for inspection by the Borrowers or any Lender (with respect to any entry relating to such Lender's Loans) at any reasonable time and from time to time upon reasonable prior written notice. The Administrative Agent shall record, or shall cause to be recorded, in the Register the Delayed Draw Term Loan Commitments and the Loans in accordance with the provisions of Section 10.06(b), and each repayment or prepayment in respect of the principal amount of the Loans, and any such recordation shall be conclusive and binding on the Borrowers and each Lender, absent manifest error; provided, that failure to make any such recordation, or any error in such recordation, shall not affect any Lender's Delayed Draw Term Loan Commitment or the Borrowers' Obligations in respect of any Loan. The Borrowers hereby designate the Administrative Agent to serve as the Borrower's non-fiduciary agent solely for purposes of maintaining the Register as provided in this Section 2.05, and the Borrowers hereby agree that, to the extent the Administrative Agent serves in such capacity, the Administrative Agent and its officers, directors, employees, agents, sub-agents and affiliates shall constitute "Indemnitees."

(c) Notes. If so requested by any Lender, the Borrowers shall execute and deliver to such Lender (and/or, if applicable and if so specified in such notice, to any Person who is an assignee of such Lender pursuant to Section 10.06(c)) on the Closing Date (or, if requested by the Lender after the Closing Date, promptly after the Borrower Representative's receipt of written notice of such request to the Borrowers (with a copy to the Administrative Agent)), a Note or Notes to evidence such Lender's Initial Term Loan, the Delayed Draw Term Loan or any Incremental Term Loan, as the case may be.

Section 2.06 Interest on Loans.

(a) Except as otherwise set forth herein, each Loan shall bear interest on the unpaid principal amount thereof from the date made to final repayment (whether by acceleration or otherwise) thereof at the following rates: [***].

(b) Interest payable pursuant to this Section 2.06 shall be computed on the basis of a 360-day year, in each case for the actual number of days elapsed in the period during which it accrues. In computing interest, the date of the making of such Loan shall be included, and the date of payment of such Loan, shall be excluded; provided, that if a Loan is repaid on the same day on which it is made, one day's interest shall be paid on that Loan.

(c) Except as otherwise set forth herein, interest on each Loan (i) shall accrue on a daily basis; (ii) shall be payable in arrears on the last Business Day of each March, June, September, and December; (iii) shall be payable in arrears upon any prepayment of such Loan, whether voluntary or mandatory, to the extent accrued on the amount being prepaid; and (iv) shall be payable in arrears at maturity of such Loan, including final maturity of such Loan.

Section 2.07 Default Interest

Upon the occurrence and during the continuance of an Event of Default, subject to Section 10.18, the principal amount of all Loans outstanding and, to the extent permitted by applicable Law, any accrued and unpaid interest on the Loans, and any fees or other amounts outstanding, shall bear interest (including post-petition interest in any proceeding under the Bankruptcy Code or other applicable bankruptcy laws) payable on demand at an interest rate of [***]% (the "Default Rate"). Payment or acceptance of the increased rates of interest provided for in this Section 2.07 is not a permitted alternative to timely payment and shall not constitute a waiver of any Event of Default or otherwise prejudice or limit any rights or remedies of the Administrative Agent or any Lender. The Borrowers expressly agree that with respect to the possible payment of interest at the Default Rate hereunder: (i) the Default Rate is reasonable and is the product of an arm's length transaction between sophisticated business parties, ably represented by counsel; (ii) the Default Rate shall be payable notwithstanding the then prevailing market rates at the time payment is made; (iii) there has been a course of conduct between the Administrative Agent and Lenders and the Loan Parties giving specific consideration in this transaction for such agreement to pay interest at the Default Rate; and (iv) the Loan Parties shall be estopped hereafter from claiming differently than as agreed to in this paragraph. The Borrowers expressly acknowledge that its agreement to pay interest at the Default Rate as herein described is a material inducement to the Administrative Agent and Lenders to provide the Commitments and make the Loans.

Section 2.08 Fees.

(a) The Borrowers shall pay to the Administrative Agent, for the Administrative Agent's own account or for the account of the Lenders, as applicable, fees in the amounts and at the times

set forth in the Fee Letter and except as may be otherwise agreed in writing between the parties to the Fee Letter, such fees shall be in all respects fully earned when due and payable pursuant to the terms of the Fee Letter and non-refundable and non-creditable thereafter.

(b) If Borrowers shall fail to pay any principal or interest on any Loan or any fees or other amounts due hereunder, in all cases as and when due, and such failure to pay continues for a period of five (5) days, the Borrowers shall pay to the Administrative Agent, for the Administrative Agent's own account or for the account of the Lenders, as applicable, in addition to the payment of principal, interest fees or other amounts otherwise due and payable, a late charge fee equal to [***] percent ([***]%) of such payment.

(c) In addition to any of the foregoing fees, Borrowers agree to pay to Agents such other fees and in the amounts and at the times separately agreed upon between the Agents and Borrowers in writing.

Section 2.09 Principal Payments

Borrowers jointly, severally and unconditionally promise to pay in full to the Administrative Agent, for the account of each Lender, on the Term Loan Maturity Date, the then unpaid principal amount of the Term Loans.

Section 2.10 Voluntary Prepayments/Commitment Reductions.

(a) Voluntary Prepayments. Subject to the terms of the Fee Letter, any time and from time to time, the Borrowers may prepay any Term Loans on any Business Day, in whole or in part, in an aggregate minimum amount of $[***] and integral multiples of $[***] in excess of that amount. Notwithstanding anything to the contrary contained herein, each prepayment of Term Loans made pursuant to this Section 2.10(a) shall be accompanied by the payment of accrued interest to the date of such payment on the amount prepaid. All such prepayments shall be made upon not less than three (3) Business Days' prior written notice given to the Administrative Agent by 2:00 p.m. (New York City time) on the date required (and the Administrative Agent shall promptly transmit such notice by email to each Lender); provided, that, if the Borrowers wish to prepay the Term Loans in full and terminate any outstanding Commitments in whole, the Borrowers may do so only after having delivered prior written notice to the Administrative Agent at least five (5) Business Days' (by 2:00 p.m. (New York City time)) prior to the effective date of such prepayment and termination (and the Administrative Agent shall promptly transmit such notice by email to each Lender). Upon the giving of any such notice, the principal amount of the Loans specified in such notice shall become due and payable on the prepayment date specified therein. Any such voluntary prepayment shall be applied as specified in Section 2.12(a).

(b) Reductions in Delayed Draw Term Loan Commitments. The Borrowers may, upon not less than five (5) Business Days' prior written notice to the Administrative Agent (and the Administrative Agent shall promptly notify each Lender of such reduction by email), at any time and from time to time terminate in whole or permanently reduce in part the Delayed Draw Term Loan Commitments in an amount not to exceed the then-remaining aggregate Delayed Draw Term Loan Commitments; provided, that any such partial reduction of the Delayed Draw Term Loan Commitments shall be in an aggregate minimum amount of $[***] (or, if less, the remaining Delayed Draw Term Loan Commitments) and integral multiples of $[***] in excess of that amount. The Borrowers notice to the Administrative Agent shall designate the date (which shall be a Business Day) of such termination or reduction and the amount of any partial reduction, and such termination or reduction of the Delayed Draw Term Loan Commitments shall be effective on the date specified in the Borrowers' notice and shall reduce the Delayed Draw Term Loan Commitment of each Lender proportionately to its Pro Rata Share thereof.

Section 2.11 Mandatory Prepayments.

(a) Asset Sales. No later than the third (3rd) Business Day following the date of receipt by Holdings or any of its Restricted Subsidiaries of Net Cash Proceeds (it being understood that such Net Cash Proceeds shall be promptly deposited into an Approved Deposit Account) in respect of any Asset Sale permitted by Section 6.08 (other than Sale and Leaseback Transactions permitted by Section 6.10), the Borrowers shall prepay the Loans as set forth in Section 2.12(b) in an aggregate amount equal to [***]% of such Net Cash Proceeds; provided, that, so long as no Default or Event of Default shall have occurred and be continuing at the time of the delivery of the written notice described in this clause (a) or at the proposed time of the investment of such Net Cash Proceeds as described in this clause (a), the Borrowers shall have the option, upon written notice to the Administrative Agent, directly or through one or more of its Restricted Subsidiaries that is a Loan Party, to reinvest (or commit to reinvest) such Net Cash Proceeds within one hundred eighty (180) days of receipt thereof in productive assets of the general type used or useful in the business of Holdings and its Restricted Subsidiaries; provided, further that to the extent any such Net Cash Proceeds therefrom have not been so applied by the end of such one hundred eighty (180) days day period, then, at such time, a prepayment shall be required in an amount equal to such Net Cash Proceeds that have not been so applied.

(b) Insurance/Condemnation Proceeds. No later than the third (3rd) Business Day following the date of receipt by Holdings or any of its Restricted Subsidiaries of any Net Cash Proceeds (it being understood that such Net Cash Proceeds shall be promptly deposited into an Approved Deposit Account) of the type described in clause (b) of the definition thereof (and immediately upon the direct receipt by an Agent as lender loss payee, of any Net Cash Proceeds of the type described in clause (b) of the definition thereof; provided, that if no Default or Event of Default shall have occurred and be continuing at the time the Administrative Agent receives such Net Cash Proceeds, the Administrative Agent shall promptly deposit such amounts into the Approved Deposit Account to be otherwise applied in accordance with this Section 2.11(b)), the Borrower shall prepay the Loans (or, alternatively, the Borrower shall be deemed to have prepaid the Loans, in the case of direct receipt of the Net Cash Proceeds by an Agent as lender loss payee subject to the immediately preceding proviso), as set forth in Section 2.12(b) in an aggregate amount equal to [***]% of such Net Cash Proceeds; provided, that so long as no Default or Event of Default shall have occurred and be continuing at the time of the delivery of the written notice described below through the time of the investment of such Net Cash Proceeds, the Borrowers shall have the option, upon written notice to the Administrative Agent, directly or through one or more of its Restricted Subsidiaries that is a Loan Party, to reinvest such Net Cash Proceeds within one hundred eighty (180) days of receipt thereof in productive assets of the general type used or useful in the business of the Holdings and its Restricted Subsidiaries, which investment may include the repair, restoration or replacement of the applicable assets thereof; provided, further that, to the extent any such Net Cash Proceeds therefrom have not been so applied by the end of such one hundred eighty (180) days day period, then, at such time, a prepayment shall be required in an amount equal to such Net Cash Proceeds that have not been so applied.

(c) Issuance or Incurrence of Debt. No later than the third (3rd) Business Day following the date of receipt by Holdings or any of its Restricted Subsidiaries of any Net Cash Proceeds (it being understood that such Net Cash Proceeds shall be promptly deposited into an Approved Deposit Account) from the issuance or incurrence of any Indebtedness of any Loan Party or any of its Restricted Subsidiaries (other than with respect to any Indebtedness permitted to be issued or incurred pursuant to Section 6.01), the Borrowers shall prepay the Loans as set forth in Section 2.12(b) in an aggregate amount equal to [***]% of such Net Cash Proceeds.

(d) Extraordinary Receipts. No later than the third (3rd) Business Day following the date of receipt by Holdings or any of its Restricted Subsidiaries of any Net Cash Proceeds in respect of any Extraordinary Receipt in excess of $[***] (it being understood that such Net Cash Proceeds shall be

promptly deposited into an Approved Deposit Account), the Borrowers shall prepay the Loans as set forth in Section 2.12(b) in an aggregate amount equal to [***]% of such Net Cash Proceeds.

(e) Other Investments. On the day of consummation of any Investment permitted by clauses (i) and (ii) of Section 6.06(o), the Borrowers shall prepay the Loans as set forth in Section 2.12(b) in an aggregate amount equal to [***] percent ([***]%) of such Investment.

(f) Prepayment Certificate. Three (3) Business Days (or such shorter period as may be agreed by the Administrative Agent) prior to any prepayment of the Loans pursuant to Sections 2.11(a) through 2.11(e), the Borrower Representative shall deliver to the Administrative Agent a certificate of an Authorized Officer demonstrating the calculation of the amount of the applicable Net Cash Proceeds. In the event that the Borrowers shall subsequently determine that the actual amount received exceeded the amount set forth in such certificate, the Borrowers shall promptly make an additional prepayment of the Loans in an amount equal to such excess, and the Borrower Representative shall concurrently therewith deliver to the Administrative Agent a certificate of an Authorized Officer demonstrating the derivation of such excess.

(g) Prepayments Generally. Nothing contained in this Section 2.11 shall permit Holdings or any of its Restricted Subsidiaries to take any action that is otherwise prohibited by the terms and conditions of this Agreement.

Section 2.12 Application of Prepayments/Reductions.

(a) Application of Voluntary Prepayments. Subject to Section 2.13(f), any prepayment of any Loan pursuant to Section 2.10 shall be applied on a pro rata basis across all Classes of Term Loans (in accordance with the respective outstanding principal balances thereof).

(b) Application of Mandatory Prepayments. Subject to Section 2.12(c) and Section 2.13(f), any amount required to be paid pursuant to Sections 2.11(a) through 2.11(e) shall be applied to prepay the Term Loans (including, for the avoidance of doubt, the Delayed Draw Term Loan) on a pro rata basis across all Classes of Term Loans (in accordance with the respective outstanding principal amounts thereof).

(c) Declined Proceeds. Notwithstanding the foregoing, any mandatory prepayment paid pursuant to Sections 2.11(a) through 2.11(e) may be declined by any Lender without prejudice to such Lender's rights hereunder to accept or decline any future payments in respect of mandatory prepayments. If a Lender chooses not to accept payment in respect of a mandatory prepayment, in whole or in part, it shall provide the Administrative Agent written notice of such rejection no later than 5:00 p.m. (New York City time) two (2) Business Days prior to the proposed prepayment date. To the extent any Lender fails to provide the notice within the time frame set forth above, it shall be deemed to have accepted the prepayment.

Section 2.13 General Provisions Regarding Payments.

(a) All payments by the Borrowers of principal, interest, fees and other Obligations shall be made in Dollars in same day funds, without defense (other than payment in full), setoff or counterclaim, free of any restriction or condition, and delivered to the Administrative Agent not later than 2:00 p.m. (New York City time) on the date due at the Principal Office designated by the Administrative Agent for the account of Lenders. For purposes of computing interest and fees, funds received by the Administrative Agent after that time on such due date may, in Administrative Agent's discretion, be deemed to have been paid by the Borrowers on the next succeeding Business Day.

(b) All payments in respect of the principal amount of any Loan shall be accompanied by payment of accrued interest on the principal amount being repaid or prepaid, and all such payments (and, in any event, any payments in respect of any Loan on a date when interest is due and payable with respect to such Loan) shall be applied to the payment of interest then due and payable before application to principal.

(c) The Administrative Agent (or its agent or sub-agent appointed by it) shall promptly distribute to each Lender at such address as such Lender shall indicate in writing, such Lender's applicable Pro Rata Share of all payments and prepayments of principal and interest due hereunder, together with all other amounts due with respect thereto, including all fees payable with respect thereto, to the extent received by the Administrative Agent.

(d) Whenever any payment to be made hereunder with respect to any Loan shall be stated to be due on a day that is not a Business Day, such payment shall be made on the next succeeding Business Day and such extension of time shall be included in the computation of the payment of interest hereunder.

(e) The Administrative Agent may, in its discretion, deem any payment by or on behalf of the Borrowers hereunder that is not made in same day funds prior to 2:00 p.m. (New York City time) to be a non-conforming payment. Any such payment may not be deemed to have been received by the Administrative Agent until the later of (i) the time such funds become available funds, and (ii) the applicable next Business Day. The Administrative Agent shall give prompt notice to the Borrower Representative and each applicable Lender (in writing, which may be by email) if any payment is non-conforming. Any non-conforming payment may constitute or become a Default or Event of Default in accordance with the terms of Section 8.01(a). Interest shall continue to accrue on any principal as to which a non-conforming payment is made until such funds become available funds (but in no event less than the period from the date of such payment to the next succeeding applicable Business Day) at the Default Rate at the election of the Administrative Agent (or at the written request of the Required Lenders) from the date such amount was due and payable until the date such amount is paid in full.

(f) If an Event of Default shall have occurred and be continuing and shall not have otherwise been waived, and the maturity of the Obligations shall have been accelerated pursuant to Section 8.01, all payments or proceeds received by Agents hereunder in respect of any of the Obligations, shall be applied as follows:

(i) first, to pay any reasonable documented out-of-pocket costs or expenses (including reasonable documented out-of-pocket cost or expense reimbursements) or indemnitees then due to any Agent under the Loan Documents until paid in full,

(ii) second, to pay any fees or premiums then due to any Agent under the Loan Documents until paid in full,

(iii) third, ratably, to pay any reasonable documented out-of-pocket costs or expenses (including reasonable documented out-of-pocket cost or expense reimbursements) or indemnitees then due to any of the Lenders under the Loan Documents until paid in full,

(iv) fourth, ratably, to pay any fees or premiums then due to any of the Lenders under the Loan Documents until paid in full,

(v) fifth, ratably, to pay interest accrued in respect of the Obligations until paid in full,

(vi) sixth, ratably, to pay the outstanding principal balance of the Term Loans (including, for the avoidance of doubt, the Delayed Draw Term Loan) on a pro rata basis (in accordance with the respective outstanding principal amounts thereof) across all Classes of Term Loans until the Term Loans are paid in full;

(vii) seventh, to pay any other Obligations until paid in full, and

(viii) eighth, to the Borrowers or such other Person entitled thereto under applicable Law.

Section 2.14 Ratable Sharing

Lenders hereby agree among themselves, that if any of them shall, whether by voluntary payment (other than a voluntary prepayment of Loans made and applied in accordance with the terms hereof), through the exercise of any right of set-off or banker's lien, by counterclaim or cross action or by the enforcement of any right under the Loan Documents or otherwise, or as adequate protection of a deposit treated as cash collateral under the Bankruptcy Code, receive payment or reduction of a proportion of the aggregate amount of principal, interest, fees and other amounts then due and owing to such Lender hereunder or under the other Loan Documents (collectively, the "Aggregate Amounts Due" to such Lender) which is greater than the proportion received by any other Lender in respect of the Aggregate Amounts Due to such other Lender, then the Lender receiving such proportionately greater payment shall (a) notify the Administrative Agent and each other Lender of the receipt of such payment and (b) apply a portion of such payment to purchase participations (which it shall be deemed to have purchased from each seller of a participation simultaneously upon the receipt by such seller of its portion of such payment) in the Aggregate Amounts Due to the other Lenders so that all such recoveries of Aggregate Amounts Due shall be shared by all Lenders in proportion to the Aggregate Amounts Due to them; provided, that if all or part of such proportionately greater payment received by such purchasing Lender is thereafter recovered from such Lender upon the bankruptcy or reorganization of the Borrowers or otherwise, those purchases shall be rescinded and the purchase prices paid for such participations shall be returned to such purchasing Lender ratably to the extent of such recovery, but without interest. The Borrowers expressly consent to the foregoing arrangement and agree that any holder of a participation so purchased may exercise any and all rights of banker's lien, set-off or counterclaim with respect to any and all monies owing by the Borrowers to that holder with respect thereto as fully as if that holder were owed the amount of the participation held by that holder. The provisions of this Section 2.14 shall not be construed to apply to (a) any payment made by the Borrowers pursuant to and in accordance with the express terms of this Agreement or (b) any payment obtained by any Lender as consideration for the assignment or sale of a participation in any of its Loans or other Obligations owed to it in accordance with the express terms of this Agreement.

Section 2.15 Increased Costs; Capital Adequacy.

(a) Compensation for Increased Costs and Taxes. In the event that any Lender or the Administrative Agent, as the case may be, shall determine (which determination shall, absent manifest error, be final and conclusive and binding upon all parties hereto) that any law, treaty or governmental rule, regulation or order, or any change therein or in the interpretation, administration or application thereof (including the introduction of any new law, treaty or governmental rule, regulation or order), or any determination of a court or Governmental Authority, in each case that becomes effective after the date hereof, or compliance by such Lender or the Administrative Agent, as the case may be, with any guideline, request or directive issued or made after the date hereof by any central bank or other governmental or quasi-governmental authority: (i) subjects such Lender (or its applicable lending office) to any additional Tax (other than any Excluded Taxes or Indemnified Taxes) with respect to this Agreement or any of the other Loan Documents or any of its obligations hereunder or thereunder or any payments to such Lender

(or its applicable lending office) of principal, interest, fees or any other amount payable hereunder; (ii) imposes, modifies or holds applicable any reserve (including any marginal, emergency, supplemental, special or other reserve), special deposit, compulsory loan, FDIC insurance or similar requirement against assets held by, or deposits or other liabilities in or for the account of, or advances or loans by, or other credit extended by, or any other acquisition of funds by, any office of such Lender; or (iii) imposes any other condition on or affecting such Lender (or its applicable lending office) or its obligations hereunder or the London interbank market; and the result of any of the foregoing is to increase the cost to the Administrative Agent or such Lender of agreeing to make, making or maintaining Loans hereunder or to reduce any amount received or receivable by the Administrative Agent or such Lender (or its applicable lending office) with respect thereto; then, in any such case, the Borrowers shall promptly, but in any event within ten (10) Business Days, pay to the Administrative Agent or such Lender, upon receipt of the statement referred to in the next sentence, such additional amount or amounts (in the form of an increased rate of, or a different method of calculating, interest or otherwise as such Lender in its sole discretion shall determine) as may be necessary to compensate the Administrative Agent or such Lender for any such increased cost or reduction in amounts received or receivable hereunder. The Administrative Agent or such Lender shall deliver to the Borrower Representative (with a copy to the Administrative Agent) a written statement, setting forth in reasonable detail the basis for calculating the additional amounts owed to the Administrative Agent or such Lender under this Section 2.15(a), which statement shall be conclusive and binding upon all parties hereto absent manifest error.

(b) Capital Adequacy Adjustment. In the event that any Lender shall have determined that the adoption, effectiveness, phase-in or applicability after the Closing Date of any law, rule or regulation (or any provision thereof) regarding capital adequacy, or any change therein or in the interpretation or administration thereof by any Governmental Authority, central bank or comparable agency charged with the interpretation or administration thereof, or compliance by any Lender (or its applicable lending office) with any guideline, request or directive regarding capital adequacy of any such Governmental Authority, central bank or comparable agency, has or would have the effect of reducing the rate of return on the capital of such Lender or any such Lender's holding company as a consequence of, or with reference to, such Lender's Loans or other obligations hereunder with respect to the Loans, to a level below that which such Lender or such holding company could have achieved but for such adoption, effectiveness, phase-in, applicability, change or compliance (taking into consideration the policies of such Lender or such holding company with regard to capital adequacy), then from time to time, within ten (10) Business Days after receipt by the Borrower Representative from such Lender of the statement referred to in the next sentence, the Borrowers shall pay to such Lender such additional amount or amounts as shall compensate such Lender or such controlling corporation for such reduction. Such Lender shall deliver to the Borrower Representative (with a copy to the Administrative Agent) a written statement, setting forth in reasonable detail the basis for calculating the additional amounts owed to Lender under this Section 2.15(b), which statement shall be conclusive and binding upon all parties hereto absent manifest error. For the avoidance of doubt, clauses (a) and (b) of this Section 2.15 shall apply to all requests, rules, guidelines or directives concerning liquidity and capital adequacy issued by any United States regulatory authority (i) under or in connection with the implementation of the Dodd-Frank Wall Street Reform and Consumer Protection Act and (ii) in connection with the implementation of the recommendations of the Bank for International Settlements or the Basel Committee on Banking Regulations and Supervisory Practices (or any successor or similar authority), regardless of the date adopted, issued, promulgated or implemented.

(c) Payment Requests. Promptly after any Lender has determined that it will make a request for payment pursuant to this Section 2.15, such Lender shall notify the Borrower Representative thereof. Failure or delay on the part of any Lender to demand payment pursuant to this Section 2.15 shall not constitute a waiver of such Lender's right to demand such payment; provided that the Borrowers shall not be required to compensate a Lender pursuant to Section 2.15(a) or Section 2.15(b) for any amounts incurred more than one hundred eighty (180) days prior to the date that such Lender notifies the Borrower

Representative of such increased costs or reductions and of such Lender's intention to claim payment therefor.

Section 2.16 Taxes; Withholding, Etc.

(a) Withholding of Taxes.

(i) Any and all payments by or on account of any obligation of any Loan Party under any Loan Document shall be made without deduction or withholding for any Taxes, except as required by applicable Law. If any applicable Law (as determined in the good faith discretion of an applicable Withholding Agent) requires the deduction or withholding of any Tax from any such payment by a Withholding Agent, then the applicable Withholding Agent shall be entitled to make such deduction or withholding and shall timely pay the full amount deducted or withheld to the relevant Governmental Authority in accordance with applicable Law and, if such Tax is an Indemnified Tax, then the sum payable by the applicable Loan Party shall be increased as necessary so that after such deduction or withholding has been made (including such deductions and withholdings applicable to additional sums payable under this Section 2.16) the applicable Lender or Administrative Agent or other recipient receives an amount equal to the sum it would have received had no such deduction or withholding been made. Further, the Loan Parties shall timely pay to the relevant Governmental Authority in accordance with applicable Law, or at the option of the Administrative Agent timely reimburse it for the payment of, any Other Taxes.

(ii) Each Lender shall severally indemnify the Administrative Agent, within 10 days after demand therefor, for (i) any Indemnified Taxes attributable to such Lender (but only to the extent that a Loan Party has not already indemnified the Administrative Agent for such Indemnified Taxes and without limiting the obligation of the Loan Parties to do so), (ii) any Taxes attributable to such Lender's failure to comply with the provisions of Section 10.06(g) relating to the maintenance of a Participant Register and (iii) any Excluded Taxes attributable to such Lender, in each case, that are payable or paid by the Administrative Agent in connection with any Loan Document, and any reasonable expenses arising therefrom or with respect thereto, whether or not such Taxes were correctly or legally imposed or asserted by the relevant Governmental Authority. A certificate as to the amount of such payment or liability delivered to any Lender by the Administrative Agent shall be conclusive absent manifest error. Each Lender hereby authorizes the Administrative Agent to set off and apply any and all amounts at any time owing to such Lender under any Loan Document or otherwise payable by the Administrative Agent to the Lender from any other source against any amount due to the Administrative Agent under this paragraph (a)(ii).

(iii) As soon as practicable after any payment of Taxes by any Loan Party to a Governmental Authority pursuant to this Section 2.16, such Loan Party shall deliver to the Administrative Agent the original or a certified copy of a receipt issued by such Governmental Authority evidencing such payment, a copy of the return reporting such payment or other evidence of such payment satisfactory to the Administrative Agent.

(b) Evidence of Exemption from U.S. Withholding Tax. Each Lender that is entitled to an exemption from or reduction of withholding Tax with respect to payment made under any Loan Document shall, to the extent it is legally entitled to do so, deliver to the Administrative Agent and the Borrower Representative, on or prior to the Closing Date (in the case of each Lender listed on the signature pages hereof on the Closing Date) or on or prior to the date of the Assignment Agreement pursuant to which it becomes a Lender (in the case of all other Lenders), and at such other times as may be necessary in the

determination of the Borrowers or the Administrative Agent (each in the reasonable exercise of its discretion) such properly completed and executed documentation reasonably requested by the Borrowers or the Administrative Agent as will permit such payments to be made without withholding or at a reduced rate.

(c) The Borrowers and the other Loan Parties shall jointly and severally indemnify the Administrative Agent and any Lender, within 10 days after demand therefor, for the full amount of any Indemnified Taxes for which additional amounts are required to be paid pursuant to Section 2.16 arising in connection with payments made under this Agreement or any other Loan Document (including any such Indemnified Taxes imposed or asserted on or attributable to amounts payable under this Section 2.16) paid by the Administrative Agent or Lender or any of their respective Affiliates and any reasonable expenses arising therefrom or with respect thereto, whether or not such Indemnified Taxes were correctly or legally imposed or asserted by the relevant Governmental Authority. A certificate as to the amount of such payment or liability delivered to such Loan Party shall be conclusive absent manifest error.

Section 2.17 Uncommitted Accordion.

(a) Requests At any time during the period from and after the Closing Date through but excluding the date that is the third year anniversary of the Closing Date, the Borrowers may, by written request to Administrative Agent (and subject to the conditions set forth in clause (b) below), request increases in the commitments for Term Loans under a new term loan tranche or under any existing term loan tranche (each, an "Incremental Term Loan Commitment" and the term loans thereunder, an "Incremental Term Loan"; each Incremental Term Loan Commitment is sometimes referred to herein individually as an "Incremental Facility" and collectively as the "Incremental Facilities"), in an aggregate amount not to exceed $[***] for all such Incremental Facilities; provided that (i) no commitment of any Lender shall be increased without the consent of such Lender (which shall be provided in such Lender's sole discretion) and (ii) such Incremental Facility shall be subject to original issue discount and other fees as agreed to by the Borrowers and Lenders but consistent with the Fee Letter. Such request shall set forth (A) the amount of the Incremental Term Loan Commitment being requested (which shall be in a minimum amount of $[***] and multiples of $[***] in excess thereof) and (B) the date (an "Incremental Effective Date") on which such Incremental Facility is requested to become effective (which, unless otherwise agreed by Administrative Agent, shall not be less than 10 Business Days nor more than 60 days after the date of such request).

(b) Conditions. No Incremental Facility shall become effective under this Section 2.17 unless, after giving effect to such Incremental Facility, the Term Loans to be made thereunder, and the application of the proceeds therefrom:

(i) no Default or Event of Default shall exist at the time of funding;

(ii) calculated on a pro forma basis immediately after giving effect to such Incremental Facility (A) the Loan Parties shall be in compliance with the Financial Covenant set forth in Section 6.07 as of the last day of the Fiscal Month most recently ended and (B) Holdings shall have demonstrated projected pro forma compliance with the Financial Covenant set forth in Section 6.07 for the immediately succeeding twelve (12) full Fiscal Month period ending after the funding of the Incremental Facility and the use of proceeds therefrom;

(iii) the representations and warranties contained in Article IV and the other Loan Documents are true and correct in all material respects (except to the extent that such representation and warranty is qualified by materiality or a Material Adverse Effect standard in which case it shall be true and correct in all respects) on and as of the effective date of such

funding, except to the extent that such representations and warranties specifically refer to an earlier date, in which case they are true and correct (in compliance with the foregoing standard) as of such earlier date;

(iv) Administrative Agent shall have received a certificate of an Authorized Officer of Borrower Representative certifying as to the foregoing;

(v) the proceeds of each Incremental Term Loan shall be used for the purposes set forth in Section 2.04; and

(vi) Administrative Agent shall have received, to the extent Administrative Agent shall have required or requested, customary legal opinions from Borrowers' counsel, customary evidence of authorization with respect to any of the officers executing the Incremental Facility and related documentation on behalf of the Borrowers, Organizational Documents and good standing certificates from Borrowers in their jurisdictions of organization and a solvency, secretary certificate and officer's certificate from Borrowers, in each case, in form and substance satisfactory to Administrative Agent in its reasonable discretion.

(c) Loan Terms. Each provision applicable to the Term Loans, including without limitation the terms and provisions of Sections 2.05, 2.06, 2.07, 2.08 and 2.09, shall be applicable to the Incremental Term Loans, and all references in this Agreement and any other Loan Document to the Term Loans shall be deemed, unless the context requires otherwise, to include any Incremental Term Loan made pursuant to this Section 2.17.

(d) Treatment. The Incremental Term Loans and the Incremental Facilities established pursuant to this Section 2.17 shall be entitled to all the benefits afforded by this Agreement and the other Loan Documents, and shall, without limiting the foregoing, benefit equally and ratably from any guarantees and the security interests created pursuant to the Loan Documents. Borrowers shall take any actions reasonably required by the Administrative Agent, Collateral Agent or the Lenders to ensure and demonstrate that the Liens and security interests granted pursuant to the Loan Documents continue to be perfected under the UCC or otherwise after giving effect to the establishment of any such new Incremental Facility.

ARTICLE III
CONDITIONS PRECEDENT

Section 3.01 Closing Date

The obligation of each Lender to make a Credit Extension on the Closing Date is subject to the satisfaction, or waiver in accordance with Section 10.05, of the following conditions on or before the Closing Date:

(a) Loan Documents. The Administrative Agent shall have received all of the agreements, documents, instruments and other items set forth on the closing checklist attached hereto as Exhibit D, each in form and substance satisfactory to the Administrative Agent.

(b) Historical Financial Statements; Projections. The Administrative Agent shall have received (i) the Historical Financial Statements and (ii) the Projections.

(c) Opinions of Counsel to Loan Parties. The Agents and the Lenders shall have received copies of the written opinions of Royer Cooper Cohen Braunfeld LLC, Dentons US LLP and Foley

Hoag LLP, counsel for the Loan Parties, as to such matters as the Administrative Agent may reasonably request, dated as of the Closing Date and otherwise in form and substance satisfactory to the Administrative Agent.

(d) Organizational Documents; Incumbency. The Administrative Agent shall have received (1) copies of each Organizational Document executed and delivered by each Loan Party, as applicable, and, to the extent applicable, certified as of a recent date by the appropriate governmental official, each dated the Closing Date or a recent date prior thereto; (2) signature and incumbency certificates of the officers of such Person executing the Loan Documents to which it is a party; (3) resolutions of the board of directors or similar governing body of each Loan Party approving and authorizing the incurrence of Indebtedness contemplated hereby and the execution, delivery and performance of this Agreement and the other Loan Documents to which it is a party or by which it or its assets may be bound as of the Closing Date, certified as of the Closing Date by an Authorized Officer of such Loan Party as being in full force and effect without modification or amendment; and (4) a good standing certificate from the applicable Governmental Authority of each Loan Party's jurisdiction of incorporation, organization or formation, each dated a recent date prior to the Closing Date.

(e) Existing Indebtedness. On the Closing Date, the Administrative Agent shall have received evidence satisfactory to the Administrative Agent that the Existing Indebtedness will have been paid in full, the Loan Parties and their Restricted Subsidiaries' commitments relating thereto will have been terminated and all Liens or security interests related thereto will have been terminated or released, in each case on terms satisfactory to the Administrative Agent.

(f) Personal Property Collateral. In order to create in favor of the Collateral Agent, for the benefit of Secured Parties, a valid, perfected First Priority security interest in the personal property Collateral, each Loan Party shall have delivered to the Collateral Agent:

(1) evidence satisfactory to the Collateral Agent of the compliance by each Loan Party of their obligations under the Pledge and Security Agreement and the other Security Documents (including their obligations to deliver UCC financing statements in proper form for filing and originals of certificated securities, instruments and chattel paper to the extent provided therein);

(2) a completed Perfection Certificate dated as of the Closing Date and executed by an Authorized Officer of each Loan Party, together with all attachments contemplated thereby;

(3) if applicable, fully executed Intellectual Property Security Agreements, in proper form for filing or recording with the United States Patent and Trademark Office or Copyright Office, as applicable with respect to the Intellectual Property Assets listed in Schedule 4.7 to the Pledge and Security Agreement; and

(4) evidence that each Loan Party shall have taken or caused to be taken any other action, executed and delivered or caused to be executed and delivered any other agreement, document and instrument (including any intercompany notes evidencing Indebtedness permitted to be incurred pursuant to Section 6.01(b)) and made or caused to be made any other filing and recording (other than as set forth herein) reasonably required by the Collateral Agent.

(g) Lien and Judgment Searches. The Collateral Agent shall have received the results of recent lien and judgment searches in each of the jurisdictions in which Uniform Commercial Code

financing statements or similar filings or recordations should be made to evidence or perfect security interests in all assets of the Loan Parties, and such searches shall reveal no Liens on any of the assets of the Loan Party, except for Permitted Liens or Liens to be discharged on or prior to the Closing Date.

(h) Solvency Certificate. On the Closing Date, the Administrative Agent shall have received a Solvency Certificate from an Authorized Officer of Holdings, dated as of the Closing Date.

(i) Regulatory Information. At least three (3) Business Days prior to the Closing Date, to the extent requested at least ten (10) Business Days prior to the Closing Date, the Administrative Agent shall have received all documentation and other information (which shall include a duly completed IRS Form W-9 for the Borrowers) required by bank regulatory authorities under applicable "know-your-customer" and anti-money laundering rules and regulations, including the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act (Title III of Pub. L. 107-56 (signed into law October 26, 2001) the "PATRIOT Act").

(j) Fees. The Borrowers shall have paid (or concurrently with the closing shall pay) to (i) the Agents the fees payable on the Closing Date referred to in the Fee Letter and (ii) all other amounts due and payable on the Closing Date pursuant to this Agreement, whether for expenses or otherwise.

(k) Letter of Direction. The Administrative Agent shall have received a duly executed letter of direction (the "Letter of Direction") from the Borrowers addressed to the Administrative Agent, on behalf of itself and Lenders, directing the disbursement on the Closing Date of the proceeds of the Loans made on such date.

(l) Representation and Warranties. The representations and warranties set forth in Article IV herein and in each other Loan Document shall be true and correct in all material respects (without duplication of any materiality standard explicitly set forth in any such representation or warranty) on and as of the Closing Date; provided, that to the extent any such representation or warranty is already qualified by materiality or material adverse effect, such representation or warranty shall be true and correct in all respects.

(m) Evidence of Insurance. The Collateral Agent shall have received a certificate from Holding's insurance broker or other evidence satisfactory to it that all insurance required to be maintained pursuant to Section 5.05 is in full force and effect.

(n) Closing Date Certificate. Borrower Representative shall have delivered to the Administrative Agent an executed Closing Date Certificate, together with all attachments thereto, in form and substance satisfactory to the Administrative Agent.

Section 3.02 Conditions to Each Credit Extension.

(a) Conditions Precedent to Each Credit Extension. The obligation of each Lender to make any Delayed Draw Term Loan on any Credit Date is subject to the satisfaction, or waiver in accordance with Section 10.05, of the following conditions precedent:

(i) the Administrative Agent shall have received a fully executed Borrowing Notice;

(ii) after making the applicable Delayed Draw Term Loan requested on such Credit Date, the Total Utilization of Delayed Draw Term Loan Commitments shall not exceed the Delayed Draw Term Loan Commitments then in effect;

(iii) the representations and warranties contained herein and in the other Loan Documents shall be true and correct in all material respects on and as of that Credit Date to the same extent as though made on and as of that date, except to the extent such representations and warranties specifically relate to an earlier date, in which case such representations and warranties shall have been true and correct in all material respects on and as of such earlier date; provided, that to the extent any such representation or warranty is already qualified by materiality or material adverse effect, such representation or warranty shall be true and correct in all respects;

(iv) as of such Credit Date, no event shall have occurred and be continuing or would result from the funding of the Delayed Draw Term Loan that would constitute a Material Adverse Effect;

(v) the Loan Parties shall be in compliance with the Financial Covenant on a pro forma basis after giving effect to the funding of the Delayed Draw Term Loan on such Credit Date and the use of proceeds thereof, and Administrative Agent shall have received a certificate from an Authorized Officer of the Borrower Representative certifying to the foregoing and attaching the calculations supporting pro forma compliance with the Financial Covenant, in each case satisfactory to the Administrative Agent;

(vi) as of such Credit Date, no event shall have occurred and be continuing or would result from the extension of the Delayed Draw Term Loan that would constitute a Default or an Event of Default; and

(vii) the Loan Parties shall be in compliance with the requirements set forth in Section 2.02.

(b) Notices. Any Borrowing Notice shall be executed by an Authorized Officer in a writing delivered to the Administrative Agent.

(c) Each borrowing by the Borrowers hereunder shall constitute a representation and warranty by the Borrowers as of the date of such Credit Extension that the conditions contained in Section 3.02(a) have been satisfied, excluding any such conditions that have been waived in writing by the Administrative Agent.

ARTICLE IV
REPRESENTATIONS AND WARRANTIES

In order to induce the Lenders to enter into this Agreement and to make each Credit Extension to be made thereby, each Loan Party represents and warrants to the Agents and each Lender on the Closing Date and on each Credit Date that the following statements are true and correct:

Section 4.01 Organization; Requisite Power and Authority; Qualification

Each of Holdings and its Restricted Subsidiaries (a) is duly organized, validly existing and in good standing under the laws of its jurisdiction of organization as identified on Schedule 4.01, (b) has all requisite power and authority to own and operate its properties, to carry on its Core Business as now conducted and as proposed to be conducted, and, solely with respect to the Loan Parties, to enter into the Loan Documents to which it is a party and to carry out the transactions contemplated thereby and (c) is qualified to do business and in good standing in every jurisdiction where any portion of its assets are located and wherever necessary to carry out its business and operations, in each case with respect to this clause (c), except where the failure to do so would not be reasonably expected to have a Material Adverse Effect.

Section 4.02 Equity Interests and Ownership

The Equity Interests of each of Holdings, Borrowers and Borrowers' respective Subsidiaries have been duly authorized and validly issued and are fully paid and non-assessable. Except as set forth on Schedule 4.02, there is no existing option, warrant, call, right, commitment or other agreement to which Holdings, Borrowers or Borrowers' respective Subsidiaries is a party requiring, and there is no membership interest or other Equity Interests of Holdings, Borrowers or Borrowers' respective Subsidiaries outstanding which upon conversion, exchange or exercise would require, the issuance by Holdings, Borrowers or Borrowers' respective Subsidiaries of any additional membership interests or other Equity Interests of Holdings, Borrowers or Borrowers' respective Subsidiaries or other securities convertible into, exchangeable for or evidencing the right to subscribe for or purchase, a membership interest or other Equity Interests of Holdings, Borrowers or any of Borrowers' respective Subsidiaries. Schedule 4.02 correctly sets forth the ownership interest of Holdings, Borrowers and each of Borrowers' respective Subsidiaries (other than Excluded Subsidiaries).

Section 4.03 Due Authorization

The execution, delivery and performance of the Loan Documents have been duly authorized by all necessary action on the part of each Loan Party that is a party thereto.

Section 4.04 No Conflict

The execution, delivery and performance by the Loan Parties of the Loan Documents to which they are parties and the consummation of the transactions contemplated by the Loan Documents do not and will not (a) violate (i) any material provision of any law or any material governmental rule or regulation applicable to any Loan Party or any of its Restricted Subsidiaries, (ii) any of the Organizational Documents of any Loan Party or any of its Restricted Subsidiaries or (iii) any order, judgment or decree of any court or other agency of government binding on any Loan Party or any of its Restricted Subsidiaries; (b) conflict with, result in a breach of or constitute a default under any Contractual Obligation of any Loan Party or any of its Restricted Subsidiaries except to the extent such conflict, breach or default could not reasonably be expected to have a Material Adverse Effect; (c) result in or require the creation or imposition of any Lien upon any of the properties or assets of any Loan Party or any of its Restricted Subsidiaries (other than any Liens created under any of the Loan Documents in favor of the Collateral Agent on behalf of the Secured Parties); or (d) require any approval of stockholders, members or partners or any approval or consent of any Person under any Contractual Obligation of any Loan Party or any of its Restricted Subsidiaries, except for such approvals or consents which have been obtained on or before the Closing Date and disclosed in writing to the Lenders.

Section 4.05 Governmental Consents

Except as set forth on Schedule 4.05, the execution, delivery and performance by the Loan Parties of the Loan Documents to which they are parties and the consummation of the transactions contemplated by the Loan Documents do not and will not require any registration with, consent or approval of, or notice to, or other action to, with or by, any Governmental Authority except for (a) registrations, consents, approvals, notices and other actions which have been duly obtained, taken, given or made and are in full force and effect, and (b) filings and recordings with respect to the Collateral to be made, or otherwise delivered to the Collateral Agent for filing and/or recordation as of the Closing Date or as of any other time thereafter as required by the Loan Documents.

Section 4.06 Binding Obligation

Each Loan Document has been duly executed and delivered by each Loan Party that is a party thereto and is the legally valid and binding obligation of such Loan Party, enforceable against such Loan Party in accordance with its respective terms, except as may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws relating to or limiting creditors' rights generally or by equitable principles relating to enforceability.

Section 4.07 Historical Financial Statements

The Historical Financial Statements were prepared in conformity with GAAP (other than with respect to the GAAP Carve-outs) and fairly present, in all material respects, the financial position, on a consolidated basis, of the Persons described in such financial statements as at the respective dates thereof and the results of operations and cash flows, on a consolidated basis, of the entities described therein for each of the periods then ended, subject, in the case of any such unaudited financial statements, to changes resulting from audit and normal year-end adjustments. Neither any Loan Party nor any of its Subsidiaries has any contingent liability or liability for Taxes, long-term lease or unusual forward or long-term commitment that is not reflected in the Historical Financial Statements or the notes thereto and which in any such case is material in relation to the business, operations, properties, assets or condition (financial or otherwise) of the Loan Parties and their Subsidiaries, taken as a whole.

Section 4.08 Projections

On and as of the Closing Date, the projections of Holdings and its Subsidiaries provided to the Administrative Agent for the period of Fiscal Year 2020 through and including Fiscal Year 2023 (the "Projections") are based on good faith estimates based upon the performance of the business through the second quarter of 2020, accounting principles consistent with the Historical Financial Statements of Holdings and assumptions made by the management of Holdings; provided, that the Projections are not to be viewed as facts or a guarantee of performance, and are subject to uncertainties and contingencies, which are beyond the control of the Loan Parties, and that actual results during the period or periods covered by the Projections may differ from such Projections and that the differences may be material; provided, further, as of the Closing Date, management of the Loan Parties believed that the Projections were reasonable when made in light of the then current circumstances with the understanding that the Projections are updated quarterly.

Section 4.09 No Material Adverse Change

No event, circumstance or change has occurred that has caused or evidences, either in any case or in the aggregate, a Material Adverse Effect.

Section 4.10 Certain Fees

Except as set forth on Schedule 4.10, no broker's or finder's fee or commission shall be payable by the Loan Parties with respect to the transactions contemplated by the Loan Documents, except as payable to the Agents and Lenders.

Section 4.11 Adverse Proceedings, Etc

There are no Adverse Proceedings, individually or in the aggregate, that could reasonably be expected to result in liabilities greater than $[***]. There are no Adverse Proceedings that purport to affect or pertain to the Core Business in any manner that could reasonably be expected to have a Material Adverse Effect. No Loan Party nor any of its Subsidiaries (a) is in violation of any applicable Laws to the extent that, such violation, individually or in the aggregate, could reasonably be expected to have a Material

Adverse Effect (excluding the Controlled Substances Act and other federal laws and regulations related to the sale of Marijuana) or (b) is subject to or in default with respect to any final judgments, writs, injunctions, decrees, rules or regulations of any Governmental Authority that, individually or in the aggregate, could reasonably be expected to have a Material Adverse Effect.

Section 4.12 Payment of Taxes

Except as set forth on Schedule 4.12 or otherwise permitted under Section 5.03, all federal and material state Income Tax returns and reports and all other material tax returns and reports of each Loan Party and its Subsidiaries required to be filed by any of them have been timely filed or appropriate extensions for time of filing shall have been obtained, and all Taxes shown on such Tax returns and all other material Taxes of each of Holdings, Borrowers and Borrowers' respective Subsidiaries and upon their respective properties, assets, income, businesses and franchises which are due and payable have been paid when due and payable. There is no proposed Tax assessment against any of Holdings, Borrowers and Borrowers' respective Subsidiaries which is not being actively contested by such Person in good faith and by appropriate proceedings; provided, that such reserves or other appropriate provisions, if any, as shall be required in conformity with GAAP shall have been made or provided therefor.

Section 4.13 Properties.

(a) Title. Each Loan Party and its Restricted Subsidiaries has (i) good, fee simple title to (in the case of fee interests in real property), (ii) valid leasehold interests in (in the case of leasehold interests in real or personal property), (iii) valid licensed rights in (in the case of licensed interests in intellectual property) and (iv) valid title to (in the case of all other personal property), all of their respective properties and assets reflected in the Historical Financial Statements referred to in Section 4.07 (if applicable) and in the most recent financial statements delivered pursuant to Section 5.01, in each case except for assets disposed of since the date of such financial statements in the ordinary course of business or as otherwise permitted under Section 6.08. Except as permitted by this Agreement, all such properties and assets are free and clear of Liens other than Permitted Liens.

(b) Real Estate. Schedule 4.13 contains a true, accurate and complete list of (i) all Real Estate Assets, and (ii) all leases, subleases or assignments of leases (together with all amendments, modifications, supplements, renewals or extensions of any thereof) affecting each Real Estate Asset of any Loan Party, regardless of whether such Loan Party is the landlord or tenant (whether directly or as an assignee or successor in interest) under such lease, sublease or assignment. Each agreement listed in clause (ii) of the immediately preceding sentence is in full force and effect and no Loan Party has knowledge of any default of any material term thereof that has occurred and is continuing thereunder.

Section 4.14 Environmental Matters

Each of Holdings, Borrowers and Borrowers' respective Subsidiaries is in material compliance with all applicable Environmental Laws, and any past noncompliance has been fully resolved without any pending, on-going or future obligation or cost; (b) each of Holdings, Borrowers and Borrowers' respective Subsidiaries has obtained and maintained in full force and effect all material Governmental Authorizations required pursuant to Environmental Laws for the operation of their respective business; (c) no Loan Party has knowledge of any environmental conditions, violations of Environmental Law, or presence or Releases of Hazardous Materials which could reasonably be expected to form the basis of an Environmental Claim against any of Holdings, Borrowers or Borrowers' respective Subsidiaries or related to any Real Estate Assets; (d) there are no pending Environmental Claims against any of Holdings, Borrowers or Borrowers' respective Subsidiaries, and none of Holdings, Borrowers or Borrowers' respective Subsidiaries has received any written notification that is outstanding or unresolved of any alleged

violation of, or liability pursuant to, Environmental Law or responsibility for the Release or threatened Release of, or exposure to, any Hazardous Materials; and (e) no Lien imposed pursuant to any Environmental Law has attached to any Collateral and no Loan Party has knowledge of any environmental conditions that exist that could reasonably be expected to result in the imposition of such a Lien on any Collateral.

Section 4.15 No Defaults.

None of Holdings, Borrowers or Borrowers' respective Subsidiaries is in material default in the performance, observance or fulfillment of any of the obligations, covenants or conditions contained in any of its Contractual Obligations, and no condition exists which, with the giving of notice or the lapse of time or both, could constitute such a material default.

Section 4.16 Material Contracts

Schedule 4.16 contains a true, correct and complete list of all the Material Contracts in effect, and except as described thereon, all such Material Contracts are in full force and effect and no material defaults currently exist thereunder.

Section 4.17 Governmental Regulation

No Loan Party nor any Subsidiary thereof is an "investment company" or a company "controlled" by an "investment company" (as each such term is defined or used in the Investment Company Act of 1940) and no Loan Party nor any Subsidiary thereof is, or after giving effect to any Credit Extension will be, subject to regulation under the Federal Power Act, the Interstate Commerce Act or any other applicable Law which limits its ability to incur the Obligations or consummate the transactions contemplated hereby.

Section 4.18 OFAC

No Loan Party nor any of its Subsidiaries is in violation of any of the country or list based economic and trade sanctions administered and enforced by OFAC. No Loan Party nor any of its Subsidiaries (a) is a Sanctioned Person or a Sanctioned Entity, (b) has its assets located in Sanctioned Entities, or (c) derives revenues from investments in, or transactions with Sanctioned Persons or Sanctioned Entities. No proceeds of any Loan made hereunder will be used to fund any operations in, finance any investments or activities in, or make any payments to, a Sanctioned Person or a Sanctioned Entity.

Section 4.19 Margin Stock

Neither any Loan Party nor any of their respective Subsidiaries is engaged principally, or as one of its important activities, in the business of extending credit for the purpose of purchasing or carrying any Margin Stock. No part of the proceeds of the Loans made to such Loan Party will be used to purchase or carry any such Margin Stock or to extend credit to others for the purpose of purchasing or carrying any such Margin Stock for any purpose that violates, or is inconsistent with, the provisions of Regulation U or X of the Board of Governors.

Section 4.20 Employee Matters

None of Holdings, Borrowers or Borrowers' respective Subsidiaries is engaged in any unfair labor practice that could reasonably be expected to have a Material Adverse Effect. There is (a) no unfair labor practice complaint pending against Holdings, Borrowers or Borrowers' respective Subsidiaries

or threatened against any of them before the National Labor Relations Board and no grievance or arbitration proceeding arising out of or under any collective bargaining agreement that is so pending against Holdings, Borrowers or Borrowers' respective Subsidiaries or threatened against any of them, (b) no strike or work stoppage in existence or threatened involving Holdings, Borrowers or Borrowers' respective Subsidiaries and (c) no union representation question existing with respect to the employees of Holdings, Borrowers or Borrowers' respective Subsidiaries and no union organization activity that is taking place, except (with respect to any matter specified in clause (a), (b) or (c) above, either individually or in the aggregate) such as could not reasonably be expected to have a Material Adverse Effect.

Section 4.21 Employee Benefit Plans

(a) Each of Holdings, Borrowers and Borrowers' respective Subsidiaries are in compliance with all applicable provisions and requirements of ERISA and the Internal Revenue Code and the regulations and published interpretations thereunder with respect to each Employee Benefit Plan, and have performed all their obligations under each Employee Benefit Plan; (b) there are no pending or, to the best of each of Holdings', Borrowers' and Borrowers' respective Subsidiaries' knowledge, threatened claims, actions, or lawsuits or action with respect to an Employee Benefit Plan; (c) none of Holdings, Borrowers or Borrowers' respective Subsidiaries could reasonably be expected to be subject to a tax or penalty imposed by Section 502(i) or (l) of ERISA; (d) no ERISA Event has occurred or is reasonably expected to occur; (e) Holdings, Borrowers and Borrowers' respective Subsidiaries and each of their ERISA Affiliates have complied with the requirements of Section 515 of ERISA with respect to each Multiemployer Plan and are not in material "default" (as defined in Section 4219(c)(5) of ERISA) with respect to payments to a Multiemployer Plan; and (f) there are no violations of the fiduciary responsibility rules with respect to any Employee Benefit Plan or Pension Plan.

Section 4.22 Solvency

The Loan Parties and their Restricted Subsidiaries, taken as a whole, are and, immediately after giving effect to any Credit Extension shall be, Solvent.

Section 4.23 Compliance with Laws, Etc

Each Loan Party and its Subsidiaries are in material compliance with all applicable Laws (excluding the Controlled Substances Act, or any other Laws to the extent any noncompliance with such Laws directly results from or relates to a violation of the Controlled Substances Act) in respect of the conduct of its Core Business and the ownership of its assets and property.

Section 4.24 Disclosure

No representation or warranty of any Loan Party contained in any Loan Document or in any other documents, certificates or written statements furnished to any Agent or Lender by or on behalf of any Loan Party or any of its Subsidiaries for use in connection with the transactions contemplated hereby contains any untrue statement of a material fact or omits to state a material fact necessary in order to make the statements contained herein or therein not misleading in light of the circumstances in which the same were made. Any projections and pro forma financial information contained in such materials are based upon good faith estimates and assumptions believed by the Loan Parties to be reasonable at the time made in light of the then current circumstances, it being recognized by Lenders that such projections as to future events are not to be viewed as facts and that actual results during the period or periods covered by any such projections may differ materially from the projected results.

Section 4.25 PATRIOT Act

To the extent applicable, each Loan Party is in compliance, in all material respects, with (i) the Trading with the Enemy Act, as amended, and each of the foreign assets control regulations of the United States Treasury Department (31 CFR, Subtitle B, Chapter V, as amended) and any other enabling legislation or executive order relating thereto, and (ii) the PATRIOT Act or the Bribery Act 2012, and (iii) the export control laws of the United States, as applicable. No part of the proceeds of the Loans shall be used, directly or indirectly, for any payments to any governmental official or employee, political party, official of a political party, candidate for political office, or anyone else acting in an official capacity, in order to obtain, retain or direct business or obtain any improper advantage, in violation of the United States Foreign Corrupt Practices Act of 1977, as amended ("FCPA"). All of the documentation related to the Loans are kept in a manner that complies with the recordkeeping requirements of the FCPA and the anti-money-laundering laws.

Section 4.26 Intellectual Property

(i) Each of the Loan Parties owns, or is licensed to use, all Intellectual Property necessary to or used in connection with the Core Business as currently conducted, (ii) no claim has been asserted in writing and is pending by any Person challenging or questioning the ownership, registration or use of any Intellectual Property of the Loan Parties or the validity or effectiveness of any Intellectual Property of the Loan Parties and (iii) to the knowledge of each of the Loan Parties, neither the use of Intellectual Property by each of the Loan Parties nor the conduct of the Core Business infringes upon the intellectual property rights of any Person.

Section 4.27 Security Documents; Perfection; Priority.

(a) The Pledge and Security Agreement, upon execution and delivery thereof by the parties thereto, will create in favor of the Collateral Agent, for the ratable benefit of the Lenders, a legal, valid and enforceable security interest in the Collateral (as defined in the Pledge and Security Agreement) and the proceeds thereof and (i) when the certificates evidencing certificated Pledged Equity Interests (as defined in the Pledge and Security Agreement) are delivered to the Collateral Agent (together with blank endorsements), the Lien created under the Pledge and Security Agreement shall constitute a perfected Lien on, and security interest in, all right, title and interest of the Loan Parties in such certificated Pledged Equity Interests in each case prior and superior in right to any adverse claim of any other Person (other than Liens of the type described in Section 6.02), and (ii) when financing statements in appropriate form are filed in the offices specified on Schedule 4.01 thereto, the Lien created under the Pledge and Security Agreement will constitute a perfected First Priority Lien on, and security interest in, all right, title and interest of the Loan Parties in such Collateral in which such a Lien can be perfected through such filings (other than Intellectual Property).

(b) Upon the recordation of the Intellectual Property Security Agreements, if any, with the United States Patent and Trademark Office and the United States Copyright Office, together with the financing statements in appropriate form filed in the offices specified on Schedule 4.01 thereto, the Lien created under the Pledge and Security Agreement and Intellectual Property Security Agreements shall constitute a perfected First Priority Lien on, and security interest in, all right, title and interest of the Loan Parties in the Pledged Intellectual Property (as defined in the Pledge and Security Agreement) in which a security interest may be perfected by filing with the United States Patent and Trademark Office and the United States Copyright Office (it being understood that filing with the United States Patent and Trademark Office and the United States Copyright Office may be necessary to perfect a Lien on registered trademarks and patents, trademark and patent applications and registered copyrights acquired by the Loan Parties after the date hereof).

Section 4.28 Common Business Purpose

Each Loan Party represents, warrants and acknowledges that:

(a) although each Loan Party operates as a separate and distinct legal entity, the Loan Parties, as a whole, share a common business purpose which increases the Loan Parties' (taken as a whole) economies of scale and efficiencies in the coordination and centralization of common business functions and market presence;

(b) the Loan Parties operate using a consolidated cash management system, which includes the processing and collection of accounts receivable and the payment and processing of accounts payable and other operating expenses;

(c) the Loan Parties have sought financing collectively pursuant to this Agreement because they cannot obtain financing in the amounts, or otherwise pursuant to terms, as favorable (taken as a whole) as those set forth in this Agreement, if the Loan Parties were to seek such financing individually and therefore the Loan Parties have greater borrowing capacity as a whole pursuant to this Agreement; and

(d) the Agents and the Lenders have relied on the common business purpose and consolidated credit strength of the Loan Parties in agreeing to make the Loans and enter into this Agreement.

Section 4.29 Cannabis Licenses and Core Business

(a) Each of Holdings, Borrowers and Borrowers' respective Subsidiaries have, where necessary for the operation of the Core Business in compliance with applicable Law (excluding the Controlled Substances Act, or any other Law to the extent any noncompliance with such Law directly results from or relates to a violation of the Controlled Substances Act or any other federal law related to Marijuana), obtained all required permits, licenses, registrations, qualifications or approvals, including the Cannabis Licenses, in all jurisdictions in which it conducts or proposes to conduct its Core Business for such operations. Except as set forth in Schedule 1.01(e), each Cannabis License or other such permit, license, registration, qualification or approval is valid and fully-effective. Each Loan Party and each Subsidiary thereof has taken all actions necessary for the validity and effectiveness for each Cannabis License or other such permit, license registration, qualification or approval. None of Holdings, Borrowers or Borrowers' respective Subsidiaries are engaged in any business other than the Core Business and business activities incidental or related thereto. Except as set forth on Schedule 4.29, with respect to the Cannabis Licenses listed on Schedule 1.01(e), the grant of a security interest (i) in each such Cannabis Licenses or (ii) in the Equity Interests of any Person that owns or holds each such Cannabis Licenses, in each case, pursuant to the Security Documents does not violate or require any consent, approval, or notice under the terms of each such Cannabis Licenses or applicable state or local Law under which each such Cannabis License has been issued; and

(b) Except as disclosed on Schedule 4.29, there is and has for the last two years been no inquiry, investigation, claim, enforcement action, or any other similar action by any Governmental Authority, including any Governmental Authority with jurisdiction over the cannabis industry, relating to the Core Business.

ARTICLE V
AFFIRMATIVE COVENANTS

Each Loan Party covenants and agrees that, until payment in full of all Obligations, such Loan Party shall, and shall cause each of its Restricted Subsidiaries (and in the case of Sections 5.03, 5.08, 5.09, 5.17, and 5.20, all Subsidiaries) to:

Section 5.01 Financial Statements and Other Reports

In the case of Borrower Representative, deliver to each Lender:

(a) Weekly Reports. Commencing with the first Sunday after the Closing Date, as soon as available, and in any event within three (3) days after the end of each week, the internally generated reports used by management covering the following numbers by store - gross sales, net sales, gross margin, 4-wall margin, customers per week, average ticket size, and other relevant metrics.

(b) Monthly Reports. Commencing with the Fiscal Month in which the Closing Date occurs, as soon as available, and in any event within thirty (30) days after the end of each Fiscal Month, (i) the internally generated reports used by management covering all the numbers in (a) above, retail sales by product for each store, sales by product for each cultivation facility, and cultivation metrics including quantity produced, quantity sold, price per pound sold, harvest yields and other relevant metrics, and (ii) a detailed report regarding Holdings and its Subsidiaries' Cash and Cash Equivalents, including an indication of which accounts constitute Qualified Cash, all such financial statements and reports in reasonable detail and in Microsoft Excel or an Excel compatible spreadsheet program;

(c) Quarterly Reports. Commencing with the Fiscal Quarter in which the Closing Date occurs, as soon as available, and in any event within forty-five (45) days after the end of each Fiscal Quarter, (i) the consolidated and consolidating balance sheet of Holdings and its Subsidiaries as at the end of such Fiscal Quarter and the related consolidated and consolidating statements of income and cash flows and stockholders' equity of Holdings and its Subsidiaries for such Fiscal Quarter and for the period from the beginning of the then current Fiscal Year to the end of such Fiscal Quarter, setting forth in each case in comparative form the corresponding figures for the corresponding periods of the previous Fiscal Year and with respect to the income statement only, the corresponding figures from the Financial Plan for the current Fiscal Year, and for each such comparative report and (ii) quarterly financial projections for the next two years in Microsoft Excel or an Excel compatible spreadsheet program, with detailed information that covers all the calculations included in Section 5.01(b) and detailed financial statements with growth capital expenditure plans for each current and proposed operational state, in each case on a consolidated basis;

(d) Annual Financial Statements. As soon as available, and in any event within one hundred twenty (120) days after the end of each Fiscal Year, commencing with the Fiscal Year in which the Closing Date occurs, (i) the consolidated and consolidating audited balance sheets of Holdings and its Subsidiaries as at the end of such Fiscal Year and the related consolidated and consolidating statements of income, stockholders' equity and cash flows of Holdings and its Subsidiaries for such Fiscal Year, setting forth in each case in comparative form the corresponding figures for the previous Fiscal Year, in reasonable detail, together with a Financial Officer Certification and a Narrative Report with respect thereto; and (ii) with respect to such consolidated financial statements a report thereon of an independent certified public accountants of recognized national standing selected by Holdings, and satisfactory to the Administrative Agent (which report and/or the accompanying financial statements shall be unqualified, other than a "going concern" or like qualification or exception for the Fiscal Year ending immediately prior to the Term Loan Maturity Date solely as a result of the impending Term Loan Maturity Date), and shall state that such consolidated financial statements fairly present, in all material respects, the consolidated financial position of Holdings and its Subsidiaries as at the dates indicated and the results of their operations and their cash flows for the periods indicated in conformity with GAAP in all material respects applied on a basis consistent with prior years (except as otherwise disclosed in such financial statements);

(e) Compliance Certificate. Together with each delivery of financial statements of Holdings and its Restricted Subsidiaries pursuant to Sections 5.01(b), Sections 5.01(c) and 5.01(d), a duly executed and completed Compliance Certificate;

(f) Notice of Default. Promptly upon any Authorized Officer of any Loan Party obtaining knowledge (i) of any condition or event that constitutes a Default (to the extent such condition or event is continuing) or an Event of Default or that notice has been given to any Loan Party with respect thereto; or (ii) that any Person has given any notice to any Loan Party or any of its Subsidiaries or taken any other action with respect to any event or condition set forth in Section 8.01(b); or (iii) of the occurrence of any event or change that has caused or evidences, either in any case or in the aggregate, a Material Adverse Effect, a certificate of an Authorized Officer specifying the nature and period of existence of such condition, event or change, or specifying the notice given and action taken by any such Person and the nature of such claimed Event of Default, Default, default, event or condition, and what action Holdings (or such Loan Party) has taken, is taking and proposes to take with respect thereto;

(g) Notice of Litigation. Promptly upon any Authorized Officer of any Loan Party obtaining knowledge of (i) any Adverse Proceeding not previously disclosed in writing by the Borrower Representative to the Administrative Agent or (ii) any development in any Adverse Proceeding, that, in the case of either clause (i) or (ii), if adversely determined could be reasonably expected to have a claim in excess of $[***], or seeks to enjoin or otherwise prevent the consummation of, or to recover any damages or obtain relief as a result of, the transactions contemplated hereby, or the exercise of rights or performance of obligations under any Loan Document written notice thereof together with such other information as may be reasonably available to Borrowers or the Loan Parties to enable the Lenders and their counsel to evaluate such matters;

(h) ERISA. (i) Promptly upon the occurrence of or upon any officer of any Loan Party becoming aware of the forthcoming occurrence of (A) any ERISA Event, (B) the adoption of any new Pension Plan by any of Holdings, Borrowers or Borrowers' respective Subsidiaries or any of their respective ERISA Affiliates, (C) the adoption of an amendment to a Pension Plan if such amendment results in a material increase in benefits or unfunded liabilities or (D) the commencement of contribution by any of Holdings, Borrowers and Borrowers' respective Subsidiaries or any of their respective ERISA Affiliates to a Multiemployer Plan, a written notice specifying the nature thereof, what action Holdings, Borrowers or Borrowers' respective Subsidiaries or any of their respective ERISA Affiliates has taken, is taking or proposes to take with respect thereto and, when known, any action taken or threatened by the Internal Revenue Service, the Department of Labor or the PBGC with respect thereto; and (ii) with reasonable promptness, copies of (A) each Schedule B (Actuarial Information) to the annual report (Form 5500 Series) filed by any of Holdings, Borrowers or Borrowers' respective Subsidiaries or any of their respective ERISA Affiliates with the Internal Revenue Service with respect to each Pension Plan; (B) all notices received by any Holdings, Borrowers or Borrowers' respective Subsidiaries or any of their respective ERISA Affiliates from a Multiemployer Plan sponsor concerning an ERISA Event; and (C) copies of such other documents or governmental reports or filings relating to any Employee Benefit Plan or Pension Plan as the Administrative Agent shall reasonably request;

(i) Financial Plan. As soon as practicable and in any event no later than thirty (30) days following the beginning of each Fiscal Year commencing with the Fiscal Year commencing January 1, 2021, a consolidated plan and financial forecast for such Fiscal Year (a "Financial Plan"), in Microsoft Excel or an Excel compatible spreadsheet program, including (1) a forecasted consolidated balance sheet and forecasted consolidated statements of income and cash flows of Holdings and its Subsidiaries for such Fiscal Year, and an explanation of the assumptions on which such forecasts are based and (2) forecasted consolidated balance sheet, and forecasted consolidated statements of income and cash flows of Holdings and its Subsidiaries for each Fiscal Quarter of such Fiscal Year;

(j) Insurance Report. Upon the Collateral Agent's reasonable request, a certificate from the Loan Parties' insurance broker(s) in form and substance satisfactory to the Collateral Agent

outlining all material insurance coverage maintained as of the date of such certificate by the Loan Parties and their Restricted Subsidiaries;

(k) Information Regarding Collateral.

(i) Prompt written notice of any change (A) in any Loan Party's name, (B) in any Loan Party's identity or corporate structure, including type of organization, (C) in any Loan Party's jurisdiction of organization or (D) in any Loan Party's federal taxpayer identification number or state organizational identification number, it being agreed by each Loan Party that it shall not effect or permit any change referred to in the preceding sentence unless all filings have been made under the UCC or otherwise that are required in order for the Collateral Agent to continue at all times following such change to have a valid, legal and perfected First Priority security interest in all the Collateral as contemplated in the Security Documents; and

(ii) Concurrently with the delivery of the financial statements required pursuant to Section 5.01(c) for each Fiscal Quarter, a completed Perfection Certificate dated as of the date of delivery thereof and executed by an Authorized Officer of each Loan Party, together with all attachments contemplated thereby, or a certification from such Authorized Officer of "no change" from the last Perfection Certificate delivered pursuant hereto;

(l) Management Letters; Board Materials. (i) Promptly after the receipt thereof by Holdings or the Borrowers or any of Borrowers' respective Subsidiaries, a copy of any final "management letter" received by any such Person from its certified public accountants and the management's response thereto and (ii) not later than ten (10) days' after delivery to the applicable board of directors (or equivalent governing body) of any Loan Party or any Subsidiary of a Loan Party, materials distributed to such board member and meeting minutes in connection with meetings of such board of directors (or equivalent governing body); provided, the Loan Parties shall not be required to deliver any such materials to the extent attorney-client privileged or would result in a conflict-of-interest, in each case, as reasonably determined in consultation with counsel to the Loan Parties.

(m) Defaults Under Material Contracts or Material Indebtedness. Promptly upon any Authorized Officer of any Loan Party or any of its Subsidiaries obtaining knowledge of any condition or event that constitutes a default or an event of default under any Material Contract or Material Indebtedness or that written notice has been given to any Loan Party or any of its Subsidiaries with respect thereto, a certificate of an Authorized Officer of such Loan Party specifying the nature and period of existence of such condition or event and the nature of such claimed default or event of default, and what action such Loan Party or Holdings has taken, is taking and proposes to take with respect thereto; and

(n) Change of Location. Borrower Representative shall notify the Administrative Agent in writing at least thirty (30) days prior to any anticipated or proposed move from its current headquarters location.

(o) Cannabis License. Borrower Representative shall notify the Administrative Agent upon any rescission, revocation, termination, suspension or other material adverse development concerning any Cannabis License.

(p) Other Information. (A) Promptly upon their becoming available, copies of all regular and periodic reports and all registration statements and prospectuses, if any, filed by Holdings or any of its Subsidiaries with any securities exchange or with the SEC or any governmental or private regulatory authority and (B) such other information and data with respect to the operations, assets, business,

legal, financial or corporate affairs of Holdings or any of its Subsidiaries as from time to time may be reasonably requested by the Administrative Agent or any Lender.

Section 5.02 Existence

Except as otherwise permitted under Section 6.08, at all times preserve and keep in full force and effect its existence and all rights and franchises, licenses and permits material to its Core Business; provided that this Section 5.02 shall not be deemed to expand, limit or otherwise modify the covenants set forth in Section 5.20 with respect to the Cannabis Licenses.

Section 5.03 Payment of Taxes and Claims

Pay all Taxes imposed upon it or any of its properties or assets or in respect of any of its income, businesses or franchises, and all claims (including claims for labor, services, materials and supplies) for sums that have become due and payable and that by law have or may become a Lien that is not a Permitted Lien upon any of its properties or assets, prior to the time when any penalty or fine shall be incurred with respect thereto; provided that no such Tax or claim need be paid if it is being contested in good faith by appropriate proceedings promptly instituted and diligently conducted, so long as adequate reserves or other appropriate provisions as shall be required in conformity with GAAP shall have been made therefor.

Section 5.04 Maintenance of Properties

Maintain or cause to be maintained in good repair, working order and condition, ordinary wear and tear excepted, all material properties used or useful in the business of the Loan Parties and their Subsidiaries and from time to time shall make or cause to be made all appropriate repairs, renewals and replacements thereof.

Section 5.05 Insurance

Maintain or cause to be maintained, with insurers having a Best rating of at least B+, unless otherwise approved by Administrative Agent in its discretion, such commercial general liability insurance, third party property damage insurance, business interruption insurance and casualty insurance with respect to liabilities, losses or damage in respect of the assets, properties and businesses of the Loan Parties and their Subsidiaries, in each case, as may customarily be carried or maintained under similar circumstances by Persons of established reputation engaged in similar businesses, in each case in such amounts (giving effect to self-insurance), with such deductibles, covering such risks and otherwise on such terms and conditions as are customary for such Persons. Each such policy of insurance shall, with respect to the interests of the Loan Parties only, (i) name the Collateral Agent, on behalf of the Secured Parties, as an additional insured thereunder, and (ii) in the case of each property insurance policy, contain a lender loss payable clause or endorsement, satisfactory in form and substance to the Collateral Agent, that names the Collateral Agent, on behalf of the Secured Parties, as the lender loss payee thereunder and provide that the insurer affording coverage with respect to property and liability insurance of any Loan Party will provide for at least thirty (30) days' prior written notice to the Collateral Agent of any modification or cancellation of such policy (or ten (10) days' prior written notice in the case of cancellation due to non-payment).

Section 5.06 Books and Records; Inspections

Maintain proper books of record and accounts in which full, true and correct entries in conformity in all material respects with GAAP shall be made of all dealings and transactions in relation to its Core Business. Each Loan Party shall, and shall cause each of its Restricted Subsidiaries to, permit any

authorized representatives designated by the Administrative Agent to visit and inspect any of the properties of any Loan Party and any of its respective Restricted Subsidiaries, to inspect and to discuss its and their affairs, finances and accounts with its and their officers and independent public accountants, and to undertake collateral audits, all upon reasonable notice and at such reasonable times during normal business hours and as often as may reasonably be requested, in each case, and in a manner which does not materially interfere with the operations of the Loan Parties and their Restricted Subsidiaries; provided that unless an Event of Default has occurred and is continuing, Administrative Agent shall be limited to one inspection per property of each Loan Party during each Fiscal Year. During any inspections permitted hereby, the Administrative Agent or its designated representatives may copy and take extracts from the Loan Parties' and their Restricted Subsidiaries' financial and accounting records (including electronic copies) only if an Event of Default has occurred and is continuing.

Section 5.07 Lender Meetings

In the case of each of Holdings and its Restricted Subsidiaries, upon the request of the Administrative Agent or the Required Lenders, participate in a meeting of the Administrative Agent and the Lenders to be held at Holdings' corporate offices (or at such other location as may be mutually agreed by Holdings and the Administrative Agent, including via conference call) at such time as may be agreed to by Holdings and the Administrative Agent. Holdings agrees that each such meeting shall be held at least once every calendar month and Holdings shall make available its Authorized Officers and other senior management for such meeting.

Section 5.08 Compliance with Contractual Obligations and Laws

Comply, and use commercially reasonable efforts to cause all other Persons, if any, on or occupying any Facilities to comply, with the requirements of all Contractual Obligations and all applicable Laws, rules, regulations and orders of any Governmental Authority (including, but not limited to, OFAC, FCPA, the PATRIOT Act and all Environmental Laws), in each case, except where the failure to comply with the terms of this Section 5.08 would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect.

Section 5.09 Environmental Compliance

Use and operate all of its Facilities in compliance with all Environmental Laws, keep all necessary Governmental Authorizations required pursuant to any Environmental Laws, and handle all Hazardous Materials in compliance with all Environmental Laws, in each case except where the failure to comply with the terms of this Section 5.09 could not reasonably be expected to have a Material Adverse Effect.

Section 5.10 Subsidiaries.

(a) In the event that any Loan Party forms (including by division) or acquires any new Subsidiary (other than an Excluded Subsidiary) after the date hereof, which such Subsidiary must be organized in the United States, such Loan Party shall (1) promptly (and in any event within ten (10) days of such Person becoming a Subsidiary of Holdings (or such later date as the Administrative Agent may permit in its reasonable discretion)) cause such Subsidiary to become a Borrower or Guarantor hereunder and a Grantor under the Pledge and Security Agreement by executing and delivering to the Administrative Agent and the Collateral Agent a Counterpart Agreement, and (2) take all such actions and execute and deliver, or cause to be executed and delivered, all such documents, instruments, agreements, and certificates as are similar to those described in Sections 3.01(d), 3.01(e), 3.01(g), 3.01(h), 3.01(j), and 3.01(n).

(b) With respect to each new Subsidiary(other than an Excluded Subsidiary), Borrower Representative shall promptly (and in any event within ten (10) Business Days of such Person becoming a Subsidiary of a Loan Party) send to the Collateral Agent written notice setting forth with respect to such Person (i) the date on which such Person became a Subsidiary of a Loan Party and (ii) all of the data required to be set forth in Schedules 4.01 and 4.02 with respect to all Subsidiaries of Holdings; and such written notice shall be deemed to supplement Schedules 4.01 and 4.02 for all purposes hereof.

Section 5.11 [Reserved]

Section 5.12 Additional Collateral

With respect to any assets or property acquired after the Closing Date by Holdings, the Borrowers or any other Loan Party (other than with respect to Excluded Property) in each case, as to which the Collateral Agent, for the benefit of the Secured Parties, does not have a perfected First Priority Lien, promptly (i) execute and deliver to the Collateral Agent such amendments, addendums or supplements to the Pledge and Security Agreement or such other documents as the Collateral Agent deems necessary or advisable, in the reasonable judgment of the Collateral Agent, to grant to the Collateral Agent, for the benefit of the Secured Parties, a perfected First Priority Lien in such assets or property and (ii) take all actions necessary or advisable to grant to the Collateral Agent, for the benefit of the Secured Parties, a perfected First Priority Lien in such assets or property, including, without limitation, the filing of UCC financing statements in such jurisdictions as may be required by the Pledge and Security Agreement or by law or as may be reasonably requested by the Collateral Agent. For the avoidance of doubt, this Section remains subject to Section 5.10, and does not apply to Holdings' ownership of Equity Interests of Persons solely engaged in the operation of the Core Business outside the State of Illinois or the Commonwealth of Massachusetts.

Section 5.13 Intellectual Property

Take all steps reasonably necessary from time to time to ensure that (i) Holdings or one of its Restricted Subsidiaries shall be the legal and record owner of all material Intellectual Property owned by Holdings, the Borrowers and their respective present and future direct and indirect Subsidiaries (whether now owned or hereafter acquired) and (ii) Holdings or one of its Restricted Subsidiaries shall maintain all material Intellectual Property and, where possible, apply for renewals or other extensions of legal protection pertaining to all material Intellectual Property.

Section 5.14 Further Assurances

At any time or from time to time upon the request of the Administrative Agent or the Collateral Agent, at the expense of the Loan Parties, promptly execute, acknowledge and deliver such further documents and do such other acts and things as any of the Secured Parties may reasonably request in order to effect fully the purposes of the Loan Documents or to more fully perfect or renew the rights of any of the Secured Parties with respect to the Collateral (or with respect to any additions thereto or replacements or proceeds thereof or with respect to any other property or assets hereafter acquired by Holdings or any Restricted Subsidiary which may be deemed to be part of the Collateral). In furtherance and not in limitation of the foregoing, each Loan Party shall take such actions as the Administrative Agent or the Collateral Agent may reasonably request from time to time to ensure that the Obligations are guaranteed by the Guarantors and are secured by the Collateral. Upon the exercise by the Administrative Agent or the Collateral Agent of any power, right, privilege or remedy pursuant to this Agreement or the other Loan Documents which required any consent, approval, recording, qualification or authorization of any Governmental Authority, Holdings will execute and deliver, or will cause the execution and delivery of, all applications, certifications, instruments and other documents and papers that the Administrative

Agent or the Collateral Agent may be required to obtain from Holdings or any of its Restricted Subsidiaries for such consent, approval, recording, qualification or authorization.

Section 5.15 Control Accounts; Approved Deposit Accounts

(a) Other than any amounts funded or otherwise deposited into any Excluded Account, take all steps to ensure that at all times (i) each Loan Party's account debtors who elect to make payment of the amounts owed by them to such Loan Party by wire transfer or other electronic means make such payment directly to an Approved Deposit Account or (ii) each Loan Party deposits or causes to be deposited promptly, and in any event no later than the third (3rd) Business Day after the date of receipt thereof, all of its collections (including those sent directly by their account debtors to a Loan Party) into an Approved Deposit Account.

(b) At all times cause (i) any Securities Account or Commodity Account established or maintained by such Loan Party to be a Control Account and (ii) any Deposit Account established or maintained by such Loan Party to be an Approved Deposit Account; provided, that no Deposit Account Control Agreement or Securities Account Control Agreement, as applicable, shall be required with respect to any Excluded Account.

Section 5.16 Landlord Waivers

Except to the extent waived by Collateral Agent in its sole discretion, obtain a Landlord Waiver from the lessor of (a) each Borrower's chief executive office; provided that to the extent that any Borrower's chief executive office is moved after the Closing Date, promptly following the execution of a new lease pertaining to such new location, obtain a Landlord Waiver from the lessor of such new location, and (b) each Facility or other location where any Collateral with a fair market value in excess of $[***] is stored or maintained.

Section 5.17 ERISA

At all times make, or cause to be made, prompt payment of contributions required to meet the minimum funding standards set forth in ERISA with respect to each Loan Party's and its ERISA Affiliates' Pension Plans that are subject to such funding requirements; and furnish to the Administrative Agent, promptly upon the Administrative Agent's request therefor, copies of any annual report required to be filed pursuant to ERISA in connection with each such Pension Plan of each Loan Party and its ERISA Affiliates.

Section 5.18 Contracts

Upon entering into a new Material Contract, (i) execute and deliver to Administrative Agent executed and compiled copies of such agreement and (ii) deliver a collateral assignment in the form of the Collateral Assignment of Material Contract (or an amendment or modification of the same) with respect to such agreement, pursuant to which such Loan Party (A) grants to Administrative Agent a security interest in all of such Loan Party's rights and remedies with respect to such agreement and all right, title and interest in and to any and all sums due to such Loan Party thereunder and (B) uses commercially reasonably efforts to obtain execution by the counterparty to the Material Contract or such Loan Party represents and warrants, as of the date of the execution and delivery of such agreement, that the Loan Party's execution and delivery of such Collateral Assignment of Material Contract shall not constitute a breach of the terms and conditions of such agreement.

Section 5.19 [Reserved.]

Section 5.20 Cannabis Activities and Licenses

(a) maintain in good standing and keep effective all Cannabis Licenses necessary for the operation of the Core Business to the extent that the failure to maintain in good standing and keep effective such Cannabis Licenses could reasonably be expected to have a Material Adverse Effect;

(b) notify the Administrative Agent in writing of the cancellation, suspension, lapse, termination, postponement, invalidity or replacement of any Cannabis License; and

(c) take commercially reasonable measures within its control to conduct its business in a way that prevents the distribution of Marijuana to minors; prevent revenue from the sale of Marijuana from going to criminal enterprises, gangs or cartels; prevent the unlawful diversion of Marijuana from states where it is legal under state law in some form to other states; prevent the Core Business from being used as a cover or pretext for the trafficking of other illegal drugs or other illegal activity; and prevent drugged driving and the exacerbation of other adverse public health consequences associated with Marijuana use.

Section 5.21 Post-Closing Obligations

On or before the applicable date set forth on Schedule 5.21 for each action described therein, or such later date agreed to in writing by the Administrative Agent in its sole discretion, take, or cause to be taken, each action specified and deliver each required agreement or document, as applicable. The failure to have taken such actions or deliver such agreements or documents by the date set forth on Schedule 5.21 (as such date may be extended in Administrative Agent's sole discretion as provided herein) shall be an Event of Default.

ARTICLE VI
NEGATIVE COVENANTS

Each Loan Party covenants and agrees that, until payment in full of all Obligations, such Loan Party shall not, nor shall it cause or permit any of its Restricted Subsidiaries to:

Section 6.01 Indebtedness and Contingent Acquisition Consideration

Directly or indirectly, create, incur, assume or guaranty, or otherwise become or remain directly or indirectly liable with respect to any Indebtedness or Contingent Acquisition Consideration, except:

(a) the Obligations;

(b) Indebtedness of any Loan Party (other than Holdings) owed to any other Loan Party (other than Holdings); provided, that (i) all such Indebtedness shall be evidenced by the Intercompany Note, (ii) such Indebtedness is permitted as an Investment under Section 6.06(c);

(c) Indebtedness incurred by Holdings or any of its Restricted Subsidiaries arising from agreements providing for indemnification, adjustment of purchase price (including working capital adjustments) or similar obligations in connection with agreements governing Investments permitted under Section 6.06;

(d) Indebtedness in respect of returned items, netting services, overdraft protections and automatic clearinghouse arrangements in each case in the ordinary course of business and not constituting Indebtedness for borrowing money;

(e) guaranties by a Loan Party of any Indebtedness of any other Loan Party with respect to Indebtedness otherwise permitted to be incurred pursuant to this Section 6.01; provided, that if the Indebtedness that is being guarantied is unsecured and/or subordinated to the Obligations, the guaranty shall also be unsecured and/or subordinated to the Obligations to at least the same degree that the guarantied Indebtedness is subordinated to the Obligations;

(f) Indebtedness existing on the Closing Date and described on Schedule 6.01;

(g) Indebtedness of Borrowers or their respective Restricted Subsidiaries with respect to (i) Capital Leases, or (ii) purchase money Indebtedness of the Borrowers or their respective Restricted Subsidiaries, in an aggregate amount with respect to clauses (i) and (ii) not to exceed $[***] at any time outstanding; provided, with respect to each of the foregoing clauses (i) and (ii), any Indebtedness shall be secured only by the asset acquired in connection with the incurrence of such Indebtedness;

(h) Indebtedness arising in connection with endorsements of instruments or other payment items for deposit in the ordinary course of business;

(i) Indebtedness arising under letters of credit issued in the ordinary course of business for the account of any Loan Party or any Subsidiary of a Loan Party; provided that the aggregate amount of such Indebtedness in respect of all such letters of credit does not exceed $[***] at any time outstanding;

(j) unsecured Indebtedness consisting of Contingent Acquisition Consideration provided such Contingent Acquisition Consideration shall be subordinated to the Obligations on terms and in the form of a subordination agreement or subordination provisions, in each case, reasonably acceptable to the Administrative Agent;

(k) guaranties by Holdings of any Indebtedness of any Excluded Subsidiary; provided that such guaranties shall not be secured by any assets of Holdings other than the Equity Interests owned by Holdings in such applicable Excluded Subsidiary;

(l) Indebtedness consisting of the financing of insurance premiums in the ordinary course of business in an amount not to exceed the amount of insurance premiums to be paid by the applicable Loan Party; and

(m) other unsecured Indebtedness of Holdings and its Restricted Subsidiaries in an aggregate amount not to exceed $[***] at any time so long as immediately after giving effect to any such Indebtedness, no Default or Event of Default has occurred and is continuing.

Section 6.02 Liens

Directly or indirectly, create, incur, assume or permit to exist any Lien on or with respect to any property or asset of any kind (including any document or instrument in respect of goods or accounts receivable) of any Loan Party or any of its Restricted Subsidiaries, whether now owned or hereafter acquired or licensed, or any income, profits or royalties therefrom, or file or permit the filing of, or permit to remain in effect, any financing statement or other similar notice of any Lien with respect to any such

property, asset, income, profits or royalties under the UCC of any State or under any similar recording or notice statute or under any applicable intellectual property laws, rules or procedures, except:

(a) Liens in favor of the Collateral Agent for the benefit of Secured Parties granted pursuant to any Loan Document;

(b) (i) inchoate Liens for Taxes if such Taxes are not yet due and payable or (ii) Liens for Taxes if such obligations with respect to such Taxes are being contested in good faith by appropriate proceedings promptly instituted and diligently conducted so long as adequate reserves or other appropriate provisions as shall be required in conformity with GAAP shall have been made therefor;

(c) statutory Liens of landlords, banks (and rights of set-off), of carriers, warehousemen, mechanics, repairmen, workmen and materialmen, and other Liens imposed by Law (other than any such Lien imposed pursuant to Section 430(k) of the Internal Revenue Code or Section 303(k) of ERISA or a violation of Section 436 of the Internal Revenue Code), in each case incurred in the ordinary course of business (i) for amounts not yet overdue or (ii) for amounts that are overdue and that (in the case of any such amounts overdue for a period in excess of sixty (60) days) are being contested in good faith by appropriate proceedings, so long as such reserves or other appropriate provisions, if any, as shall be required by GAAP shall have been made for any such contested amounts;

(d) Liens incurred in the ordinary course of business in connection with workers' compensation, unemployment insurance and other types of social security, so long as no foreclosure, sale or similar proceedings have been commenced with respect to any portion of the Collateral on account thereof;

(e) easements, rights-of-way, restrictions, encroachments, and other minor defects or irregularities in title and similar encumbrances on real property imposed by Law or arising in the ordinary course of business and that either (i) do not interfere in any material respect with the ordinary conduct of the business of Holdings or any of its Restricted Subsidiaries (taken as a whole) or (ii) are described in a mortgage policy of title insurance or survey with respect to any real property subject thereto;

(f) any interest or title of a lessor or sublessor under any lease or sublease of real estate permitted hereunder and covering only the assets so leased;

(g) purported Liens evidenced by the filing of precautionary UCC financing statements relating solely to operating leases of personal property entered into in the ordinary course of business;

(h) any zoning or similar law or right reserved to or vested in any governmental office or agency to control or regulate the use of any real property;

(i) non-exclusive outbound licenses or sublicenses of patents, copyrights, trademarks and other intellectual property rights granted by Holdings or any Restricted Subsidiary of Holdings in the ordinary course of business;

(j) Liens existing on the date hereof and described in Schedule 6.02;

(k) Liens securing Indebtedness permitted pursuant to Section 6.01(g); provided, that any such Lien shall encumber only the asset acquired with the proceeds of such Indebtedness (other than any replacements of such property or assets and additions and accessions thereto and the proceeds and the

products thereof and customary security deposits in respect thereof and in the case of multiple financings of equipment provided by any lender, other equipment financed by such lender);

(l) Liens securing Indebtedness permitted pursuant to Section 6.01(k); provided, that any such Lien only encumber the Equity Interests owned by Holdings in such applicable Excluded Subsidiary;

(m) Liens securing reimbursement obligations incurred in the ordinary course of business for letters of credit to the extent permitted under Section 6.01(i); provided that such Liens encumber only Cash or Cash Equivalents in an aggregate amount not to exceed [***]% of such obligations;

(n) (i) pledges and deposits and other Liens made in the ordinary course of business in compliance with the Federal Employers Liability Act or any other workers' compensation, unemployment insurance and other social security Laws or regulations and deposits securing liability to insurance carriers under insurance or self-insurance arrangements in respect of such obligations and (ii) pledges and deposits and other Liens securing liability for reimbursement or indemnification obligations of (including obligations in respect of letters of credit or bank guarantees for the benefit of) insurance carriers providing property, casualty or liability insurance to any Loan Party or any of its Restricted Subsidiaries;

(o) Liens imposed by a Governmental Authority under applicable Laws related to the Core Business; and

(p) provided no Default or Event of Default has occurred and is continuing, other Liens on assets other than the Collateral and not securing Indebtedness in an aggregate amount not to exceed $[***] at any time outstanding.

Section 6.03 Negative Pledges

Enter into any agreement (a) granting a Lien upon, or collaterally assigning any rights under, any lease or license agreements with respect to (i) any Facility or (ii) the Equity Interests of any Loan Party, or (b) prohibiting the creation or assumption of any Lien upon any of its properties or assets, whether now owned or hereafter acquired, to secure the Obligations, except with respect to (i) this Agreement and the other Loan Documents, (ii) specific assets or property encumbered to secure payment of particular Indebtedness or to be sold pursuant to an executed agreement with respect to a Permitted Asset Sale, (iii) restrictions by reason of customary provisions restricting assignments, subletting or other transfers contained in leases, licenses and similar agreements entered into in the ordinary course of business (provided that such restrictions are limited to the assets or property secured by such Liens or the assets or property subject to such leases, licenses or similar agreements, as the case may be), (iv) restrictions and conditions imposed by any agreement governing Indebtedness entered into on or after the Closing Date and permitted by Section 6.01 which Indebtedness is secured by a Permitted Lien, but only if such restrictions and conditions apply only to the Person or Persons obligated under such Indebtedness and, if applicable, the property or assets securing such Indebtedness and (v) Liens imposed by a Governmental Authority under applicable Laws related to the Core Business.

Section 6.04 Restricted Payments

Directly or indirectly through any manner or means, declare, order, pay, make or set apart, or agree to declare, order, pay, make or set apart, any sum for any Restricted Payment except that:

(a) any Restricted Subsidiary of Holdings may declare and pay dividends or make other distributions to another Restricted Subsidiary or Holdings solely in an amount necessary to (i) allow Holdings to pay any operating expenses due and payable in the next thirty (30) days from the date of such dividend or other distribution or (ii) allow Holdings, to the extent Holdings is treated as a partnership or disregarded entity for United States federal Income Tax purposes, to make any cash distributions to its members in an amount no greater than the product of (i) the amount of aggregate net taxable income of such Restricted Subsidiary (determined as if such Restricted Subsidiary were a partnership for tax purposes) allocated by such Restricted Subsidiary to its equity holders for such taxable year computed by reducing such net income by any net losses allocated by such Restricted Subsidiary in any prior taxable year to the extent such losses (x) have not previously been deducted in determining such direct or indirect equity holder's tax liability for any prior year and (y) may reasonably be used by such direct or indirect equity holder against such net income (for the avoidance of doubt taking into account for purposes of determining such net taxable income and net taxable loss, to the extent applicable, any adjustment to the basis of such Restricted Subsidiary's and Holding's property pursuant to Section 734, 743, or 754 of the Internal Revenue Code and any comparable provision of state and local Income Tax law), multiplied by (ii) the highest combined marginal federal, state and local Income Tax rate applicable to any direct or indirect member or other equity holder of Holdings for the relevant taxable year (determined by taking into account the deductibility of state and local Income Taxes for federal Income Tax purposes, to the extent available, and reflecting any reduced rate applicable to any special class of income that is in effect for such taxable year);

(b) any Subsidiary Guarantor or any Borrower may declare and pay dividends or make other distributions to any Borrower or any other Guarantor (other than Holdings);

(c) the Loan Parties may pay, as and when due and payable, non-accelerated mandatory payments in respect of Contingent Acquisition Consideration, solely to the extent each of the following are satisfied prior to and after giving effect to such Restricted Payment on a pro forma basis, taking into account such Restricted Payment: (i) no Default or Event of Default has occurred and is continuing, (ii) the Loan Parties shall be in compliance on a pro forma basis with the Financial Covenant set forth in Section 6.07, (iii) Liquidity shall be at least $[***] prior to and after giving effect to such Restricted Payment and projected for the next 90 consecutive days following the date of such Restricted Payment; provided, Borrower Representative shall deliver to Administrative Agent an officer's certificate in form and substance acceptable to the Administrative Agent at least three (3) Business Days prior to the proposed date of such Restricted Payment, which such certificate shall include in reasonable detail the calculations necessary to evidence compliance with this Section 6.04(c);

(d) Holdings or any Restricted Subsidiary may make payments to [***]; and

(e) any Restricted Subsidiary of Holdings may declare and pay dividends or make other distributions to Holdings subject to the requirements of Section 6.06(o) and for the sole purpose of allowing Holdings to make Investments or Permitted Acquisitions pursuant to Section 6.06(o).

(f) Holdings may make payments of a management fee to AGP Partners, LLC pursuant to a management services agreement between Holdings and AGP Partners, LLC not to exceed $[***] per Fiscal Quarter, payable quarterly in advance on the first business day of each succeeding January, April, July, and October, in a total amount not to exceed $[***], so long as no Event of Default has occurred and is continuing or would arise as a result of such payment; provided further, that any amount prohibited to be paid hereunder may accrue and be paid at a time when no Event of Default exists and no Event of Default would arise as a result of such payment.

Section 6.05 Restrictions on Subsidiary Payments and Distributions

Except as provided herein, create or otherwise cause or suffer to exist or become effective any consensual encumbrance or restriction of any kind on the ability of any Restricted Subsidiary of Holdings to (a) pay dividends or make any other distributions on any of such Subsidiary's Equity Interests owned by Holdings or any other Subsidiary of Holdings, (b) repay or prepay any Indebtedness owed by such Restricted Subsidiary to the Borrowers or any Guarantor, (c) make loans or advances to the Borrowers or any other Guarantor, or (d) transfer, lease or license any of its property or assets to the Borrowers or any other Guarantor other than restrictions (i) in agreements evidencing Indebtedness permitted by Section 6.01(g) that impose restrictions on the property so acquired, (ii) by reason of customary provisions restricting assignments, subletting or other transfers contained in leases, licenses, joint venture agreements and or other commercial agreements entered into in the ordinary course of business, (iii) that are or were created by virtue of any transfer of, agreement to transfer or option or right with respect to any property, assets or Equity Interests not otherwise prohibited under this Agreement, (iv) that are set forth in any agreement at any time any Persons becomes a Subsidiary of Holdings so long as such agreement was not entered into in contemplation of such Person becoming a Subsidiary of Holdings, (v) imposed by a Governmental Authority under applicable Laws related to the Core Business and (vi) in this Agreement and the other Loan Documents.

Section 6.06 Investments

Directly or indirectly, make or own any Investment in any Person, including any joint venture, except:

(a) Investments in Cash and Cash Equivalents;

(b) (i) Investments (including equity Investments owned as of the Closing Date) in any Subsidiary existing as of the Closing Date and (ii) Investments made after the Closing Date in the Borrowers and any Subsidiary Guarantor;

(c) intercompany loans between or among Loan Parties (other than Holdings), to the extent permitted under Section 6.01(b);

(d) Investments consisting of Capital Expenditures with respect to Borrowers and their Restricted Subsidiaries;

(e) loans and advances to employees of the Borrowers and their Restricted Subsidiaries made in the ordinary course of business in an aggregate principal amount not to exceed $[***];

(f) Investments described in Schedule 6.06 and any extensions, renewals or reinvestments thereof, so long as the aggregate amount of all Investments pursuant to this clause (g) is not increased at any time above the amount of such Investments existing or committed on the Closing Date (other than pursuant to an increase as required by the terms of any such Investment as in existence on the Closing Date);

(g) Investments acquired in connection with the settlement of delinquent Accounts (as defined in the Pledge and Security Agreement) in the ordinary course of business or in connection with the bankruptcy or reorganization of suppliers or customers;

(h) Investments arising out of the receipt by any Loan Party or any Restricted Subsidiary of any Loan Party of non-Cash consideration for Asset Sales permitted under Section 6.08(c);

(i) Investments resulting from pledges and deposits under Sections 6.02(m);

(j) guaranties of operating leases or of other obligations that do not constitute Indebtedness, in each case, entered into by any Loan Party or any of its Restricted Subsidiaries in favor of any Loan Party or any of its Restricted Subsidiaries, in each case in the ordinary course of business;

(k) Investments to the extent that payment for such Investments is made with, or received substantially contemporaneously in exchange for, Equity Interests (other than Disqualified Equity Interests) of Holdings (and/or any direct or indirect parent of Holdings);

(l) Investments in the ordinary course of business consisting of Uniform Commercial Code Article 3 endorsements for collection or deposit and Uniform Commercial Code Article 4 customary trade arrangements with customers in the ordinary course of business;

(m) Permitted Acquisitions permitted pursuant to Section 6.08;

(n) guaranties permitted under Section 6.01;

(o) other Investments, so long as (i) immediately after giving effect to any such Investment no Default or Event of Default has occurred and is continuing, (ii) the Liquidity of the Group Members is at least equal to the product of (A) Consolidated Fixed Charges of the Group Members during the Fiscal Month immediately prior to the date of the Investment and (B) two; and

(p) Investments by Holdings utilizing solely the proceeds of any sale of Equity Interests of Holdings (other than Disqualified Equity Interests).

Notwithstanding the foregoing, in no event shall any Loan Party or any Restricted Subsidiary of any Loan Party make any Investment which results in or facilitates in any manner any Restricted Payment not otherwise permitted under the terms of Section 6.04.

Section 6.07 Minimum Cash Balance.

Permit (a) the Cash Balance of Holdings and its Subsidiaries, calculated on the last day of each Fiscal Month, to be less than $[***] or (b) the ratio of Cash Balance of Holdings and its Subsidiaries to Consolidated Fixed Charges, calculated as of the last day of each Fiscal Month, to be less than [***].

Section 6.08 Fundamental Changes; Disposition of Assets; Acquisitions

Enter into any transaction of merger or consolidation, or liquidate, divide, wind-up or dissolve itself (or suffer any liquidation or dissolution), or convey, sell, lease or license, exchange, transfer or otherwise dispose of, in one transaction or a series of transactions, all or any substantial part of its business, assets or property of any kind whatsoever, whether real, personal or mixed and whether tangible or intangible, whether now owned or hereafter acquired, leased or licensed (other than conveyances, sales or other dispositions of inventory, materials and equipment in respect of the Core Business in the ordinary course and consistent with past practices or of Excluded Subsidiaries), or acquire by purchase or otherwise (other than purchases or other acquisitions of inventory, materials and equipment and Capital Expenditures in the ordinary course of business) the business, property or fixed assets of, or Equity Interests or other evidence of beneficial ownership of, any Person or any division or line of business or other business unit of any Person, except:

(a) (i) any Subsidiary of Holdings may be merged with or into the Borrowers or any Subsidiary Guarantor, or be liquidated, wound up or dissolved, or all or any part of its business, assets or property may be conveyed, sold, leased, transferred or otherwise disposed of, in one transaction or a series of transactions, to the Borrower or any Subsidiary Guarantor; provided, that in the case of such a merger, the Borrowers or such Subsidiary Guarantor, as applicable shall be the continuing or surviving Person, and (ii) any Subsidiary of Holdings that is not a Guarantor (other than Borrowers) may be merged with or into any other Subsidiary of Holdings that is not a Guarantor (other than Borrowers), or be liquidated, wound up or dissolved, or all or any part of its business, assets or property may be conveyed, sold, leased, transferred or otherwise disposed of, in one transaction or a series of transactions, to any other Subsidiary of Holdings that is not a Guarantor (other than Borrowers);

(b) any Subsidiary of Holdings may dispose of any or all of its assets (upon voluntary liquidation or otherwise) to any Loan Party (other than Holdings);

(c) Asset Sales with respect to assets of any Borrower or Guarantor, the proceeds of which (valued at the principal amount thereof in the case of non-Cash proceeds consisting of notes or other debt securities and valued at fair market value in the case of other non-Cash proceeds) when aggregated with the proceeds of all other Asset Sales made within the same Fiscal Year, are less than $[***]; provided, that (1) the consideration received for such assets shall be in an amount at least equal to the fair market value thereof (determined in good faith by the Borrowers), (2) no less than [***]% thereof shall be paid in Cash, and (3) the Net Cash Proceeds thereof shall be applied as required by Section 2.11(a);

(d) Permitted Acquisitions (including any merger, division, consolidation or amalgamation in order to effect a Permitted Acquisition);

(e) dispositions of assets or property on fair market terms (as determined by the Borrowers in good faith) to the extent that such property is exchanged for credit against the purchase price of similar replacement assets or property;

(f) leases or subleases entered into in the ordinary course of business to the extent that they do not materially interfere with the Core Business taken as a whole;

(g) the sale of defaulted receivables in the ordinary course of business and not as part of an accounts receivable financing transaction;

(h) Asset Sale by AWH Fairview Heights, LLC of the real property it owns as of the Closing Date that is being used as a dispensary as of the Closing Date;

(i) Restricted Payments made in accordance with Section 6.04, Investments made in accordance with Section 6.06, and dispositions of Equity Interests made in accordance with Section 6.09;

(j) Sale and Leaseback Transactions permitted pursuant to Section 6.10; and

(k) Issuances of Equity Interests by any Subsidiary of Holdings to a Loan Party.

Section 6.09 Disposal of Subsidiary Interests

Except for any sale of all or a portion of its interests in the Equity Interests of any of its Restricted Subsidiaries in compliance with the provisions of Section 6.08, directly or indirectly sell, assign, pledge or otherwise encumber or dispose of any Equity Interests of any of its Restricted Subsidiaries, except

(a) as permitted under Section 6.02 and (b) pursuant to this Agreement and any other Loan Document (including any Security Document).

Section 6.10 Sales and Leaseback Transaction

Enter into any Sale and Leaseback Transactions unless the following conditions have been satisfied:

(a) at the time thereof and after giving pro forma effect thereto, (x) no Default or Event of Default shall have occurred and be continuing or would result therefrom and (y) the representations and warranties contained herein and in the other Loan Documents shall be true and correct in all material respects, except to the extent such representations and warranties specifically relate to an earlier date or a specific date (e.g. a Credit Date), in which case such representations and warranties shall have been true and correct in all material respects on and as of such earlier date or specific date; provided, that to the extent any such representation or warranty is already qualified by materiality or material adverse effect, such representation or warranty shall be true and correct in all respects;

(b) all transactions in connection therewith shall be consummated in accordance with all applicable Laws and in conformity with all applicable Governmental Authorizations;

(c) the Collateral Agent shall have received, for the benefit of the Secured Parties, a Landlord Waiver in respect of the real property disposed of pursuant to the Sale and Leaseback Transaction solely to the extent such real property is used in the Core Business in the State of Illinois or the Commonwealth of Massachusetts;

(d) calculated on a pro forma basis immediately after giving effect to such transaction, the (i) Loan Parties shall be in compliance with the Financial Covenant set forth in Section 6.07 as of the last day of the Fiscal Month most recently ended, and (ii) Holdings shall have demonstrated projected pro forma compliance with the Financial Covenant set forth in Section 6.07 for the immediately succeeding twelve (12) full Fiscal Month period ending after the consummation of the applicable proposed transaction;

(e) the applicable Loan Party shall have delivered to the Administrative Agent as soon as possible and in any event at least five (5) Business Days prior to consummating such proposed Sale and Leaseback Transaction (in each case, or such shorter period as may be reasonably agreed by the Administrative Agent): (i) a Compliance Certificate evidencing compliance with clause (d) above, and (ii) a copy of the most recently available draft sale and lease agreement(s) related to the proposed transaction (and any related material documents reasonably requested by the Administrative Agent); and

(f) the Net Cash Proceeds received by the applicable Loan Party in respect of any Sale and Leaseback Transaction shall be used for working capital of the Loan Parties (other than Holdings) or any Investments permitted under Section 6.06, and for the avoidance of doubt may not be used for Restricted Payments.

Section 6.11 Transactions with Shareholders and Affiliates

Directly or indirectly, enter into or permit to exist any transaction (including the purchase, sale, lease or exchange of any property, the rendering of any service or the payment of any management, advisory or similar fees) with any Affiliate of Holdings on terms that are materially less favorable to Holdings or any Loan Party, as the case may be, than those that might be obtained in a comparable arm's length transaction at the time from a Person who is not an Affiliate; provided, that the foregoing restriction shall not apply to (a) any transaction among the Loan Parties, (b) reasonable and customary fees,

indemnities and expense reimbursement paid to members of the board of directors (or similar governing body) of Holdings and its Restricted Subsidiaries, (c) compensation arrangements, indemnities and expense reimbursement for officers and other employees of Holdings and its Restricted Subsidiaries entered into in the ordinary course of business, (d) transactions permitted by Sections 6.04, 6.06 or 6.08, (e) any issuance of securities, or other payments, awards or grants in Cash, securities or otherwise pursuant to, or the funding of, employment arrangements, equity purchase agreements, stock options and stock ownership plans, (f) transactions, agreements and arrangements in existence on the Closing Date and set forth on Schedule 6.11, or in each case any amendment thereto to the extent such amendment is not adverse to the Lenders in any material respect, and (g) the issuance of Equity Interests of Holdings to the directors, management or employees of Holdings or any of its Subsidiaries.

Section 6.12 Conduct of Business

From and after the Closing Date, engage in any business (either directly or through a Subsidiary) other than (a) the Core Business and (b) such other lines of business as may be consented to in writing by the Administrative Agent.

Section 6.13 Amendments or Waivers of Organizational Documents, Subordinated Indebtedness, or Material Contracts

(a) Agree to any amendment, restatement, supplement, waiver or other modification to any of its Organizational Documents (whether by merger or otherwise) if the effect of such amendment, restatement, supplement, waiver or other modification would be materially adverse to the Loan Parties (taken as a whole) or the Lenders.

(b) Agree to any amendment of the terms of any Subordinated Indebtedness except to the extent permitted by the subordination provisions and other terms set forth therein or applicable thereto.

(c) Agree to any amendment, restatement, supplement, waiver or other modification to any of Material Contract if the effect of such amendment, restatement, supplement, waiver or other modification would be materially adverse to the Loan Parties (taken as a whole) or the Lenders.

Section 6.14 Fiscal Year; Change in Accounting Methods

Without the prior written consent of the Administrative Agent (not to be unreasonably withheld, delayed or conditioned) (a) change the last day of its Fiscal Year from December 31 or change its method of determining Fiscal Quarters or (b) change its accounting methodology from that used to report Historical Financial Statements, except as required by GAAP or for immaterial changes. Notwithstanding the foregoing, Administrative Agent and Lenders acknowledge and agree that the Historical Financial Statements were prepared in accordance with GAAP other than with respect to the GAAP Carve-outs. Notwithstanding the foregoing, if Holdings effectuates an IPO which requires it to prepare financial statements pursuant to a methodology other than GAAP, the Administrative Agent, the Required Lenders and the Borrower Representative shall negotiate in good faith to amend this Agreement to allow for reporting under such other methodology.

Section 6.15 Use of Proceeds.

(a) Use the proceeds of any Loan (or permit any of their respective directors, officers, employees or agents that will act in any capacity with respect to, or benefit from, this Agreement, to use the proceeds of any Loan) (i) in violation of (A) the Trading with the Enemy Act, as amended, and each of the foreign assets control regulations of the United States Treasury Department (31 CFR, Subtitle B,

Chapter V, as amended) and any other enabling legislation or executive order relating thereto, (B) the PATRIOT Act or the Bribery Act 2012 or (C) the export control laws of the United States, as applicable, or (ii) for the purpose of funding, financing or facilitating any activities, business or transaction of or with any Sanctioned Person or a Sanctioned Entity.

(b) Cause or permit any of the funds of any Loan Party that are used to repay the Obligations to the Administrative Agent or any Lender (or permit any of their respective directors, officers, employees or agents that will act in any capacity with respect to, or benefit from, this Agreement, to cause or permit any of the funds of any Loan Party that are used to repay the Obligations to the Administrative Agent or any Lender) (i) to be derived from any unlawful activity with the result that the making of the Loans would be in violation of any anti-corruption law or economic and trade sanctions administered and enforced by OFAC or (ii) to cause the Administrative Agent or any Lender to be in violation of any anti-corruption laws or economic and trade sanctions administered and enforced by OFAC to the extent within the control of the Loan Parties.

Section 6.16 Government and Customer Contracts

After the Closing Date, on a commercially reasonable efforts basis, not enter into any agreement (excluding any renewal of an existing contract and Cannabis Licenses) with a Governmental Authority, customer or client, whether evidenced by a lease agreement, license agreement, subscription agreement, service agreement or otherwise, that contains any restriction on the part of a Loan Party or any Restricted Subsidiary of a Loan Party on assigning, transferring, or otherwise disposing of its rights or obligations under such agreement.

Section 6.17 Federal Enforcement

Permit any of its directors, officers, executives, employees, consultants or agents to (a) engage in violence or the use of firearms in the conduct of the Core Business, (b) grow Marijuana on any public lands, or (c) possess or use Marijuana on federal property.

Section 6.18 Geographical Limitations

Permit any of its Affiliates (other than a Loan Party) or any of such Affiliates' directors, officers, executives, or agents to enter into any agreement, whether evidenced by a lease agreement, license agreement, subscription agreement, service agreement or otherwise, relating to the Core Business or the operations of the Core Business in the State of Illinois or the Commonwealth of Massachusetts; provided, that the foregoing restrictions shall not apply to amendments to agreements in place as of the Closing Date and which have been provided to the Administrative Agent.

ARTICLE VII
GUARANTY

Section 7.01 Guaranty of the Obligations

Subject to the provisions of Section 7.02, Guarantors jointly and severally hereby irrevocably and unconditionally guaranty to the Administrative Agent for the ratable benefit of the Beneficiaries the due and punctual payment in full of all Obligations when the same shall become due, whether at stated maturity, by required prepayment, declaration, acceleration, demand or otherwise (including amounts that would become due but for the operation of the automatic stay under Section 362(a) of the Bankruptcy Code, 11 U.S.C. § 362(a)) (collectively, the "Guaranteed Obligations").

Section 7.02 Contribution by Guarantors

All Guarantors desire to allocate among themselves (collectively, the "Contributing Guarantors"), in a fair and equitable manner, their obligations arising under this Guaranty. Accordingly, in the event any payment or distribution is made on any date by a Guarantor (a "Funding Guarantor") under this Guaranty such that its Aggregate Payments exceeds its Fair Share as of such date, such Funding Guarantor shall be entitled to a contribution from each of the other Contributing Guarantors in an amount sufficient to cause each Contributing Guarantor's Aggregate Payments to equal its Fair Share as of such date. "Fair Share" means, with respect to a Contributing Guarantor as of any date of determination, an amount equal to (a) the ratio of (i) the Fair Share Contribution Amount with respect to such Contributing Guarantor to (ii) the aggregate of the Fair Share Contribution Amounts with respect to all Contributing Guarantors multiplied by (b) the aggregate amount paid or distributed on or before such date by all Funding Guarantors under this Guaranty in respect of the Guaranteed Obligations. "Fair Share Contribution Amount" means, with respect to a Contributing Guarantor as of any date of determination, the maximum aggregate amount of the obligations of such Contributing Guarantor under this Guaranty that would not render its obligations hereunder or thereunder subject to avoidance as a fraudulent transfer or conveyance under Section 548 of Title 11 of the United States Code or any comparable applicable provisions of state law; provided, that solely for purposes of calculating the Fair Share Contribution Amount with respect to any Contributing Guarantor for purposes of this Section 7.02, any assets or liabilities of such Contributing Guarantor arising by virtue of any rights to subrogation, reimbursement or indemnification or any rights to or obligations of contribution hereunder shall not be considered as assets or liabilities of such Contributing Guarantor. "Aggregate Payments" means, with respect to a Contributing Guarantor as of any date of determination, an amount equal to (1) the aggregate amount of all payments and distributions made on or before such date by such Contributing Guarantor in respect of this Guaranty (including in respect of this Section 7.02), minus (2) the aggregate amount of all payments received on or before such date by such Contributing Guarantor from the other Contributing Guarantors as contributions under this Section 7.02. The amounts payable as contributions hereunder shall be determined as of the date on which the related payment or distribution is made by the applicable Funding Guarantor. The allocation among Contributing Guarantors of their obligations as set forth in this Section 7.02 shall not be construed in any way to limit the liability of any Contributing Guarantor hereunder. Each Guarantor is a third party beneficiary to the contribution agreement set forth in this Section 7.02.

Section 7.03 Payment by Guarantors

Subject to Section 7.02, Guarantors hereby jointly and severally agree, in furtherance of the foregoing and not in limitation of any other right which any Beneficiary may have at law or in equity against any Guarantor by virtue hereof, that upon the failure of the Borrowers to pay any of the Guaranteed Obligations when and as the same shall become due, whether at stated maturity, by required prepayment, declaration, acceleration, demand or otherwise (including amounts that would become due but for the operation of the automatic stay under Section 362(a) of the Bankruptcy Code, 11 U.S.C. § 362(a)), Guarantors shall upon demand pay, or cause to be paid, in Cash in Dollars, to the Administrative Agent for the ratable benefit of Beneficiaries, an amount equal to the unpaid principal amount of all Guaranteed Obligations then due as aforesaid, including accrued and unpaid interest on such Guaranteed Obligations (including interest which, but for any Borrower's becoming the subject of a case under the Bankruptcy Code, would have accrued on such Guaranteed Obligations, whether or not a claim is allowed against such Borrower for such interest in the related bankruptcy case).

Section 7.04 Liability of Guarantors Absolute

Each Guarantor agrees that its obligations hereunder are irrevocable, absolute, independent and unconditional and shall not be affected by any circumstance which constitutes a legal or equitable

discharge of a guarantor or surety other than payment in full of the Guaranteed Obligations. In furtherance of the foregoing and without limiting the generality thereof, each Guarantor agrees as follows:

(a) this Guaranty is a guaranty of payment when due and not of collectability. This Guaranty is a primary obligation of each Guarantor and not merely a contract of surety;

(b) the Administrative Agent may enforce this Guaranty upon the occurrence and during the continuance of an Event of Default notwithstanding the existence of any dispute between the Borrowers and any Beneficiary with respect to the existence of such Event of Default;

(c) the obligations of each Guarantor hereunder are independent of the obligations of Borrowers and the obligations of any other guarantor (including any other Guarantor) of the obligations of the Borrowers, and a separate action or actions may be brought and prosecuted against such Guarantor whether or not any action is brought against any Borrower or any of such other guarantors and whether or not any Borrower is joined in any such action or actions;

(d) payment by any Guarantor of a portion, but not all, of the Guaranteed Obligations shall in no way limit, affect, modify or abridge any Guarantor's liability for any portion of the Guaranteed Obligations which are then due and payable but which has not been paid. Without limiting the generality of the foregoing, if the Administrative Agent is awarded a judgment in any suit brought to enforce any Guarantor's covenant to pay a portion of the Guaranteed Obligations, such judgment shall not be deemed to release such Guarantor from its covenant to pay the portion of the Guaranteed Obligations that is not the subject of such suit, and such judgment shall not, except to the extent satisfied by such Guarantor, limit, affect, modify or abridge any other Guarantor's liability hereunder in respect of the Guaranteed Obligations;

(e) any Beneficiary, upon such terms as it deems appropriate and in accordance with the terms and conditions of this Agreement and the other Loan Documents, without notice to any creditor or demand and without affecting the validity or enforceability hereof or giving rise to any reduction, limitation, impairment, discharge or termination of any Guarantor's liability hereunder, from time to time may (i) renew, extend, accelerate (in accordance with Article VIII of this Agreement), increase the rate of interest on, or otherwise change the time, place, manner or terms of payment of the Guaranteed Obligations; (ii) settle, compromise, release or discharge, or accept or refuse any offer of performance with respect to, or substitutions for, the Guaranteed Obligations or any agreement relating thereto and/or subordinate the payment of the same to the payment of any other obligations; (iii) request and accept other guaranties of the Guaranteed Obligations and take and hold security for the payment hereof or the Guaranteed Obligations; (iv) release, surrender, exchange, substitute, compromise, settle, rescind, waive, alter, subordinate or modify, with or without consideration, any security for payment of the Guaranteed Obligations, any other guaranties of the Guaranteed Obligations, or any other obligation of any Person (including any other Guarantor) with respect to the Guaranteed Obligations; (v) enforce and apply any security now or hereafter held by or for the benefit of such Beneficiary in respect hereof or the Guaranteed Obligations and direct the order or manner of sale thereof, or exercise any other right or remedy that such Beneficiary may have against any such security, in each case as such Beneficiary in its discretion may determine consistent herewith and any applicable security agreement and applicable Law, including foreclosure on any such security pursuant to one or more judicial or nonjudicial sales, whether or not every aspect of any such sale is commercially reasonable, and even though such action operates to impair or extinguish any right of reimbursement or subrogation or other right or remedy of any Guarantor against any Borrower or any security for the Guaranteed Obligations; and (vi) exercise any other rights available to it under the Loan Documents; and

(f) this Guaranty and the obligations of Guarantors hereunder shall be valid and enforceable and shall not be subject to any reduction, limitation, impairment, discharge or termination for

any reason (other than payment in full of the Guaranteed Obligations), including the occurrence of any of the following, whether or not any Guarantor shall have had notice or knowledge of any of them: (i) any failure or omission to assert or enforce or agreement or election not to assert or enforce, or the stay or enjoining, by order of court, by operation of Law or otherwise, of the exercise or enforcement of, any claim or demand or any right, power or remedy (whether arising under the Loan Documents, at law, in equity or otherwise) with respect to the Guaranteed Obligations or any agreement relating thereto, or with respect to any other guaranty of or security for the payment of the Guaranteed Obligations; (ii) any rescission, waiver, amendment or modification of, or any consent to departure from, any of the terms or provisions (including provisions relating to events of default) hereof, any of the other Loan Documents, or any agreement or instrument executed pursuant thereto, or of any other guaranty or security for the Guaranteed Obligations, in each case whether or not in accordance with the terms hereof or such Loan Document, or any agreement relating to such other guaranty or security; (iii) the Guaranteed Obligations, or any agreement relating thereto, at any time being found to be illegal, invalid or unenforceable in any respect; (iv) the application of payments received from any source (other than payments received pursuant to the other Loan Documents or from the proceeds of any security for the Guaranteed Obligations, except to the extent such security also serves as collateral for indebtedness other than the Guaranteed Obligations) to the payment of indebtedness other than the Guaranteed Obligations, even though any Beneficiary might have elected to apply such payment to any part or all of the Guaranteed Obligations; (v) any Beneficiary's consent to the change, reorganization or termination of the corporate structure or existence of any Borrower or any of their Subsidiaries and to any corresponding restructuring of the Guaranteed Obligations; (vi) any failure to perfect or continue perfection of a security interest in any collateral which secures any of the Guaranteed Obligations; (vii) any defenses (other than a defense of payment or performance), set-offs or counterclaims which any Borrower may allege or assert against any Beneficiary in respect of the Guaranteed Obligations, including failure of consideration, breach of warranty, payment, statute of frauds, statute of limitations, accord and satisfaction and usury; and (viii) any other act or thing or omission, or delay to do any other act or thing, which may or might in any manner or to any extent vary the risk of any Guarantor as an obligor in respect of the Guaranteed Obligations.

Section 7.05 Waivers by Guarantors

Each Guarantor hereby waives, for the benefit of Beneficiaries: (a) any right to require any Beneficiary, as a condition of payment or performance by such Guarantor, to (i) proceed against any Borrower, any other guarantor (including any other Guarantor) of the Guaranteed Obligations or any other Person, (ii) proceed against or exhaust any security held from any Borrower, any such other guarantor or any other Person, (iii) proceed against or have resort to any balance of any Deposit Account or credit on the books of any Beneficiary in favor of any Borrower or any other Person, or (iv) pursue any other remedy in the power of any Beneficiary whatsoever; (b) any defense arising by reason of the incapacity, lack of authority or any disability or other defense of any Borrower or any other Guarantor including any defense based on or arising out of the lack of validity or the unenforceability of the Guaranteed Obligations or any agreement or instrument relating thereto or by reason of the cessation of the liability of any Borrower or any other Guarantor from any cause other than payment in full of the Guaranteed Obligations; (c) any defense based upon any statute or rule of law which provides that the obligation of a surety must be neither larger in amount nor in other respects more burdensome than that of the principal; (d) any defense based upon any Beneficiary's errors or omissions in the administration of the Guaranteed Obligations, except behavior which amounts to willful misconduct or gross negligence; (e) (i) any principles or provisions of law, statutory or otherwise, which are or might be in conflict with the terms hereof and any legal or equitable discharge of such Guarantor's obligations hereunder, (ii) the benefit of any statute of limitations affecting such Guarantor's liability hereunder or the enforcement hereof, (iii) any rights to set-offs, recoupments and counterclaims, and (iv) promptness, diligence and any requirement that any Beneficiary protect, secure, perfect or insure any security interest or lien or any

property subject thereto; (f) notices, demands, presentments, protests, notices of protest, notices of dishonor and notices of any action or inaction,

including acceptance hereof, notices of default hereunder, or any agreement or instrument related thereto, notices of any renewal, extension or modification of the Guaranteed Obligations or any agreement related thereto, notices of any extension of credit to the Borrowers and notices of any of the matters referred to in Section 7.04 and any right to consent to any thereof; and (g) any defenses (other than a defense of payment or performance) or benefits that may be derived from or afforded by law which limit the liability of or exonerate guarantors or sureties, or which may conflict with the terms hereof.

Section 7.06 Guarantors' Rights of Subrogation, Contribution, Etc

Until the Guaranteed Obligations shall have been paid in full, each Guarantor hereby waives any claim, right or remedy, direct or indirect, that such Guarantor now has or may hereafter have against any Borrower or any other Guarantor or any of its assets in connection with this Guaranty or the performance by such Guarantor of its obligations hereunder, in each case whether such claim, right or remedy arises in equity, under contract, by statute, under common law or otherwise and including (a) any right of subrogation, reimbursement or indemnification that such Guarantor now has or may hereafter have against any Borrower with respect to the Guaranteed Obligations, (b) any right to enforce, or to participate in, any claim, right or remedy that any Beneficiary now has or may hereafter have against any Borrower, and (c) any benefit of, and any right to participate in, any collateral or security now or hereafter held by any Beneficiary. In addition, until the Guaranteed Obligations shall have been paid in full, each Guarantor shall withhold exercise of any right of contribution such Guarantor may have against any other guarantor (including any other Guarantor) of the Guaranteed Obligations, including any such right of contribution as contemplated by Section 7.02. Each Guarantor further agrees that, to the extent the waiver or agreement to withhold the exercise of its rights of subrogation, reimbursement, indemnification and contribution as set forth herein is found by a court of competent jurisdiction to be void or voidable for any reason, any rights of subrogation, reimbursement or indemnification such Guarantor may have against any Borrower or against any collateral or security, and any rights of contribution such Guarantor may have against any such other guarantor, shall be junior and subordinate to any rights any Beneficiary may have against any Borrower, to all right, title and interest any Beneficiary may have in any such collateral or security, and to any right any Beneficiary may have against such other guarantor. If any amount shall be paid to any Guarantor on account of any such subrogation, reimbursement, indemnification or contribution rights at any time when all Guaranteed Obligations shall not have been finally and paid in full, such amount shall be held in trust for the Administrative Agent on behalf of Beneficiaries and shall forthwith be paid over to the Administrative Agent for the benefit of Beneficiaries to be credited and applied against the Guaranteed Obligations, whether matured or unmatured, in accordance with the terms hereof.

Section 7.07 Subordination of Other Obligations

Any Indebtedness of any Borrower or any Guarantor now or hereafter held by any Guarantor (the "Obligee Guarantor") is hereby subordinated in right of payment to the Guaranteed Obligations, and any such Indebtedness collected or received by the Obligee Guarantor after the occurrence and during the continuance of an Event of Default shall be held in trust for the Administrative Agent on behalf of Beneficiaries and shall forthwith be paid over to the Administrative Agent for the benefit of Beneficiaries to be credited and applied against the Guaranteed Obligations but without affecting, impairing or limiting in any manner the liability of the Obligee Guarantor under any other provision hereof.

Section 7.08 Continuing Guaranty

This Guaranty is a continuing guaranty and shall remain in effect until all Guaranteed Obligations have been irrevocably paid in full. Each Guarantor hereby irrevocably waives any right to revoke this Guaranty as to future transactions giving rise to any Guaranteed Obligations.

Section 7.09 Authority of Guarantors or the Borrowers

It is not necessary for any Beneficiary to inquire into the capacity or powers of any Guarantor or any Borrower or the officers, directors or any agents acting or purporting to act on behalf of any of them.

Section 7.10 Financial Condition of the Borrowers

Any Credit Extension may be made to the Borrowers or continued from time to time, without notice to or authorization from any Guarantor regardless of the financial or other condition of the Borrowers at the time of any such grant or continuation, as the case may be. No Beneficiary shall have any obligation to disclose or discuss with any Guarantor its assessment, or any Guarantor's assessment, of the financial condition of the Borrowers. Each Guarantor has adequate means to obtain information from the Borrowers on a continuing basis concerning the financial condition of the Borrowers and its ability to perform its obligations under the Loan Documents, and each Guarantor assumes the responsibility for being and keeping informed of the financial condition of the Borrowers and of all circumstances bearing upon the risk of nonpayment of the Guaranteed Obligations. Each Guarantor hereby waives and relinquishes any duty on the part of any Beneficiary to disclose any matter, fact or thing relating to the business, operations or conditions (financial or otherwise) of the Borrowers now known or hereafter known by any Beneficiary.

Section 7.11 Bankruptcy, Etc.

(a) So long as any Guaranteed Obligations remain outstanding, no Guarantor shall, without the prior written consent of the Administrative Agent acting pursuant to the instructions of Required Lenders, commence or join with any other Person in commencing any bankruptcy, reorganization or insolvency case or proceeding of or against any Borrower or any other Guarantor. The obligations of Guarantors hereunder shall not be reduced, limited, impaired, discharged, deferred, suspended or terminated by any case or proceeding, voluntary or involuntary, involving the bankruptcy, insolvency, receivership, reorganization, liquidation or arrangement of any Borrower or any other Guarantor or by any defense which any Borrower or any other Guarantor may have by reason of the order, decree or decision of any court or administrative body resulting from any such proceeding.

(b) Each Guarantor acknowledges and agrees that any interest on any portion of the Guaranteed Obligations which accrues after the commencement of any case or proceeding referred to in clause (a) above (or, if interest on any portion of the Guaranteed Obligations ceases to accrue by operation of Law by reason of the commencement of such case or proceeding, such interest as would have accrued on such portion of the Guaranteed Obligations if such case or proceeding had not been commenced) shall be included in the Guaranteed Obligations because it is the intention of Guarantors and Beneficiaries that the Guaranteed Obligations which are guaranteed by Guarantors pursuant hereto should be determined without regard to any rule of law or order which may relieve the Borrowers of any portion of such Guaranteed Obligations. Guarantors shall permit any trustee in bankruptcy, receiver, debtor in possession, assignee for the benefit of creditors or similar Person to pay the Administrative Agent, or allow the claim of the Administrative Agent in respect of, any such interest accruing after the date on which such case or proceeding is commenced.

(c) In the event that all or any portion of the Guaranteed Obligations are paid by the Borrowers, the obligations of Guarantors hereunder shall continue and remain in full force and effect or be reinstated, as the case may be, in the event that all or any part of such payment(s) are rescinded or recovered directly or indirectly from any Beneficiary as a preference, fraudulent transfer or otherwise, and any such payments which are so rescinded or recovered shall constitute Guaranteed Obligations for all purposes hereunder.

Section 7.12 Discharge of Guaranty Upon Sale of Guarantor

If all of the Equity Interests of any Guarantor shall be sold or otherwise disposed of (including by merger or consolidation) in accordance with the terms and conditions of this Agreement, the Guaranty of such Guarantor hereunder shall be automatically discharged and released without any further action by any Beneficiary or any other Person effective as of the time of such Asset Sale.

ARTICLE VIII
EVENTS OF DEFAULT

Section 8.01 Events of Default

If any one or more of the following conditions or events occur:

(a) Failure to Make Payments When Due. Failure by the Borrowers to pay (i) when due any amount of principal of, or interest on, any Loan, whether at stated maturity, by acceleration, by mandatory prepayment or otherwise (other than by notice of voluntary prepayment); or (ii) any fee or any other amount due hereunder (other than any amount of principal of, or interest on, any Loan) within seven (7) Business Days after the date due with respect to any fees or other amounts due hereunder (other than any amount of principal of, or interest on, any Loan); or

(b) Default Under Other Material Indebtedness Agreements. (i) failure of any Loan Party or any of their respective Subsidiaries to pay when due any principal of or interest on or any other amount, including any payment in settlement, payable in respect of one or more items of Material Indebtedness, in each case beyond the grace or cure period, if any, provided therein and such failure is not cured by such Person or waived by the holder of such Material Indebtedness within thirty (30) days of such default; or (ii) breach or default by any Loan Party with respect to any other material term of any loan agreement, mortgage, indenture or other agreement relating to such item(s) of Material Indebtedness, in each case beyond the grace or cure period, if any, provided therefor, if the effect of such breach or default is to cause, or to permit the holder or holders of that Material Indebtedness (or a trustee on behalf of such holder or holders), with or without the passage of time, to cause, that Material Indebtedness to become or be declared due and payable (or redeemable) prior to its stated maturity; or

(c) Breach of Certain Covenants. Failure of any Loan Party to perform or comply with any term or condition contained in Section 2.04, 5.01(a), 5.01(b), 5.01(c), 5.01(d), 5.01(e), 5.01(f), 5.01(g), 5.01(h), 5.01(i), 5.01(j), 5.01(k), 5.01(m), 5.02 (solely as it relates to keeping in full force and effect a Loan Party's existence except as otherwise permitted under Section 6.08), 5.05, 5.07, 5.08, 5.15, 5.17, 5.18, 5.19, 5.20, 5.21 or Article VI; or

(d) Breach of Representations, Etc. Any representation, warranty, certification or other statement made or deemed made by any Loan Party in any Loan Document or in any written statement or certificate at any time given by any Loan Party in writing to any Agent or Lender pursuant hereto or thereto or in connection herewith or therewith shall be false or misleading in any material respect as of the date made or deemed made or, to the extent that any such representation, warranty, certification or other statement is already qualified by materiality or material adverse effect, such representation, warranty, certification or other statement shall be false in any respect as of the date made or deemed made; or

(e) Other Defaults Under Loan Documents. Any Loan Party shall default in the performance of or compliance with any term contained herein or any of the other Loan Documents, other than any such term referred to in any other Section of this Section 8.01, and such default shall not have been remedied or waived within thirty (30) days after the earlier of (i) an Authorized Officer of such Loan

Party becoming actually aware of such default or (ii) receipt by the Borrower Representative of notice from the Administrative Agent or any Lender of such default; or

(f) Involuntary Bankruptcy; Appointment of Receiver, Etc. (i) A court of competent jurisdiction shall enter a decree or order for relief in respect of any Loan Party or any of its Subsidiaries in an involuntary case under the Bankruptcy Code or under any other applicable bankruptcy, insolvency or similar law now or hereafter in effect, which decree or order is not stayed; or any other similar relief shall be granted under any applicable federal or state law; or (ii) an involuntary case shall be commenced against any Loan Party or any of its Subsidiaries under the Bankruptcy Code or under any other applicable bankruptcy, insolvency or similar law now or hereafter in effect; or a decree or order of a court having jurisdiction in the premises for the appointment of a receiver, liquidator, sequestrator, trustee, conservator, custodian or other officer having similar powers over any Loan Party or any of its Subsidiaries, or over all or a substantial part of its property, shall have been entered; or there shall have occurred the involuntary appointment of an interim receiver, trustee, conservator or other custodian of any Loan Party or any of its Subsidiaries for all or a substantial part of its property; or a warrant of attachment, execution or similar process shall have been issued against any substantial part of the property of any Loan Party or any of its Subsidiaries, and any such event described in this clause (ii) shall continue for sixty (60) days without having been dismissed, bonded or discharged; or

(g) Voluntary Bankruptcy; Appointment of Receiver, Etc. (i) Any Loan Party or any of its Subsidiaries shall have an order for relief entered with respect to it or shall commence a voluntary case under the Bankruptcy Code or under any other applicable bankruptcy, insolvency or similar law now or hereafter in effect, or shall consent to the entry of an order for relief in an involuntary case, or to the conversion of an involuntary case to a voluntary case, under any such law, or shall consent to the appointment of or taking possession by a receiver, trustee, conservator or other custodian for all or a substantial part of its property; or any Loan Party or any of its Subsidiaries shall make any assignment for the benefit of creditors; (ii) any Loan Party or any of its Subsidiaries shall be unable, or shall fail generally, or shall admit in writing its inability, to pay its debts as such debts become due; or (iii) or the board of directors (or similar governing body) of any Loan Party or any of its Subsidiaries (or any committee thereof) shall adopt any resolution or otherwise authorize any action to approve any of the actions referred to herein or in Section 8.01(f); or

(h) Judgments and Attachments. (i) Any money judgment, writ or warrant of attachment or similar process involving an amount in excess of $[***] (to the extent not adequately covered by insurance or indemnities as to which a solvent and unaffiliated insurance company or third-party has not denied coverage) or (ii) any non-monetary judgment or order shall have been entered against any Loan Party or any of its Subsidiaries or any of their respective assets that could reasonably be expected to have a Material Adverse Effect and, in each case, shall remain undischarged, unvacated, unbonded or unstayed for a period of forty-five (45) days; or

(i) Employee Benefit Plans. There shall occur one or more ERISA Events which individually or in the aggregate results in or could reasonably be expected to result in a Material Adverse Effect; or

(j) Change of Control. A Change of Control shall occur; or

(k) Invalidity of Subordination Provisions. The subordination provisions of any agreement or instrument governing any Subordinated Indebtedness in excess of $[***] shall for any reason be revoked or invalidated, or otherwise cease to be in full force and effect (other than as a result of payment in full of any Subordinated Indebtedness with the consent of the Required Lenders), in any material respect, or any Loan Party or any Subsidiary of a Loan Party or the applicable “seller,” as applicable, shall

contest in writing the validity or enforceability thereof or deny that it has any further liability or obligation thereunder, or the Obligations, for any reason shall not in any material respect have the priority contemplated by this Agreement or such subordination provisions; or

(l) Material Adverse Effect. The occurrence of any event or circumstance that could reasonably be expected to have a Material Adverse Effect; or

(m) Guaranties, Security Documents and other Loan Documents. At any time after the execution and delivery thereof, (i) the Guaranty for any reason other than payment in full of the Guaranteed Obligations shall cease to be in full force and effect (other than in accordance with its terms) or shall be declared to be null and void or any Guarantor shall repudiate in writing its obligations thereunder, (ii) this Agreement or any Security Document ceases to be in full force and effect (other than by reason of a release of Collateral in accordance with the terms hereof or thereof) or shall be declared null and void, or the Collateral Agent shall not have or shall cease to have a valid and perfected Lien in any Collateral purported to be covered by the Security Documents with the priority required by the relevant Security Document, in each case, for any reason other than through the action of the Collateral Agent or any Secured Party or the failure of the Collateral Agent or any Secured Party to take any action within its control, or (iii) any Loan Party shall contest the validity or enforceability of any Loan Document in writing or deny in writing that it has any further liability, including with respect to future advances by Lenders, under any Loan Document to which it is a party or shall contest in writing the validity or perfection of any Lien in any Collateral purported to be covered by the Security Documents;

THEN, (1) upon the occurrence of any Event of Default described in Section 8.01(f) or 8.01(g), automatically, and (2) upon the occurrence and during the continuance of any other Event of Default, at the request of (or with the consent of) Required Lenders, upon notice to the Borrower Representative by the Administrative Agent: (A) the unfunded Delayed Draw Term Loan Commitments, if any, of each Lender having such Delayed Draw Term Loan Commitments shall immediately terminate; (B) each of the following shall immediately become due and payable, in each case without presentment, demand, protest or other requirements of any kind, all of which are hereby expressly waived by each Loan Party: (I) the unpaid principal amount of and accrued interest on the Loans and (II) all other Obligations; (C) the Collateral Agent may enforce any and all Liens and security interests created pursuant to Security Documents; and (D) the Collateral Agent may exercise on behalf of the Agents, the Lenders, and the other Secured Parties all rights and remedies available to the Administrative Agent, the Collateral Agent, the Lenders, and the other Secured Parties under the Loan Documents or under applicable Law or in equity.

ARTICLE IX
AGENTS

Section 9.01 Appointment of Agents

SAI is hereby appointed the Administrative Agent and the Collateral Agent hereunder and under the other Loan Documents and each Lender hereby authorizes SAI to act as the Administrative Agent and the Collateral Agent in accordance with the terms hereof and the other Loan Documents. Each Agent hereby agrees to act in its capacity as such upon the express conditions contained herein and the other Loan Documents, as applicable. The provisions of this Article IX (other than as expressly provided herein) are solely for the benefit of the Agents and the Lenders and no Loan Party shall have any rights as a third party beneficiary of any of the provisions of this Article IX (other than as expressly provided herein). In performing its functions and duties hereunder, each Agent shall act solely as an agent of the Lenders and does not assume and shall not be deemed to have assumed any obligation, solely in its capacity as an Agent and not as a Lender, towards or relationship of agency or trust with or for Holdings or any of its Restricted Subsidiaries.

Section 9.02 Powers and Duties

Each Lender irrevocably authorizes each Agent to take such action on such Lender's behalf and to exercise such powers, rights and remedies hereunder and under the other Loan Documents as are specifically delegated or granted to such Agent by the terms hereof and thereof, together with such powers, rights and remedies as are reasonably incidental thereto. In the event that any obligations (other than the Obligations) are permitted to be incurred hereunder and secured by Liens permitted to be incurred hereunder on all or a portion of the Collateral, each Lender authorizes the Administrative Agent and Collateral Agent, as applicable, to enter into intercreditor agreements, subordination agreements and amendments to the Security Documents to reflect such arrangements on terms acceptable to the Administrative Agent and Collateral Agent, as applicable. Each Agent shall have only those duties and responsibilities that are expressly specified herein and the other Loan Documents. Each Agent may exercise such powers, rights and remedies and perform such duties by or through its agents or employees. No Agent shall have, by reason hereof or any of the other Loan Documents, a fiduciary relationship or other implied duties in respect of any Lender; and nothing herein or any of the other Loan Documents, expressed or implied, is intended to or shall be so construed as to impose upon any Agent any obligations in respect hereof or any of the other Loan Documents except as expressly set forth herein or therein. Without limiting the generality of the foregoing sentence, the use of the term "agent" in this Agreement and in the other Loan Documents with reference to any Agent is not intended to connote any fiduciary or other implied (or express) obligations arising under the agency doctrine of any applicable Law. Instead, such term is used merely as a matter of market custom, and is intended to create or reflect only an administrative relationship between independent contracting parties.

Section 9.03 General Immunity.

(a) No Responsibility for Certain Matters. No Agent shall be responsible to any Lender for the execution, effectiveness, genuineness, validity, enforceability, collectability or sufficiency hereof or any other Loan Document, or for the creation, perfection or priority of any Lien, or for any representations, warranties, recitals or statements made herein or therein or made in any written or oral statements or in any financial or other statements, instruments, reports or certificates or any other documents furnished or made by any Agent to the Lenders or by or on behalf of any Loan Party or to any Agent or Lender in connection with the Loan Documents and the transactions contemplated thereby or for the financial condition or business affairs of any Loan Party or any other Person liable for the payment of any Obligations, nor shall any Agent be required to ascertain or inquire as to the performance or observance of any of the terms, conditions, provisions, covenants or agreements contained in any of the Loan Documents or as to the use of the proceeds of the Loans or as to the existence or possible existence of any Event of Default or Default or as to the value or sufficiency of any Collateral or as to the satisfaction of any condition set forth in Article III or elsewhere herein (other than confirm receipt of items expressly required to be delivered to such Agent) or to inspect the properties, books or records of Holdings or any of its Restricted Subsidiaries or to make any disclosures with respect to the foregoing. Anything contained herein to the contrary notwithstanding, the Administrative Agent shall not have any liability arising from confirmations of the amount of outstanding Loans or the component amounts thereof.

(b) Exculpatory Provisions. No Agent nor any of its officers, partners, directors, employees or agents shall be liable to the Lenders (i) for any action taken or omitted by any Agent (A) under or in connection with any of the Loan Documents or (B) with the consent or at the request of the Required Lenders (or, if so specified by this Agreement, all Lenders or any other instructing group of Lenders specified by this Agreement) except to the extent caused by such Agent's gross negligence or willful misconduct, as determined by a final, non-appealable judgment of a court of competent jurisdiction or (ii) for any failure of any Loan Party to perform its obligations under this Agreement or

any other Loan Document. No Agent shall, except as expressly set forth herein and in the other Loan Documents, have

any duty to disclose or be liable for the failure to disclose, any information relating to Holdings or any of its Affiliates that is communicated to or obtained by such Agent or any of its Affiliates in any capacity. Each Agent shall be entitled to refrain from any act or the taking of any action (including the failure to take an action) in connection herewith or any of the other Loan Documents or from the exercise of any power, discretion or authority vested in it hereunder or thereunder unless and until such Agent shall have received instructions in respect thereof from Required Lenders (or such other Lenders as may be required to give such instructions under Section 10.05) and, upon receipt of such instructions from Required Lenders (or such other Lenders, as the case may be), such Agent shall be entitled to act or (where so instructed) refrain from acting, or to exercise such power, discretion or authority, in accordance with such instructions and shall not be required to take any action that, in its opinion or the opinion of its counsel, may expose such Agent to liability or that is contrary to any Loan Document or applicable Law. Without prejudice to the generality of the foregoing, (i) each Agent shall be entitled to rely, and shall be fully protected in relying, upon any communication, instrument or document believed by it to be genuine and correct and to have been signed or sent by the proper Person or Persons, and shall be entitled to rely and shall be protected in relying on opinions and judgments of attorneys (who may be attorneys for Holdings and its Restricted Subsidiaries), accountants, experts and other professional advisors selected by it; and (ii) no Lender shall have any right of action whatsoever against any Agent as a result of such Agent acting or (where so instructed) refraining from acting hereunder or any of the other Loan Documents in accordance with the instructions of Required Lenders (or such other Lenders as may be required to give such instructions under Section 10.05).

(c) Delegation of Duties. Each of the Administrative Agent and the Collateral Agent may perform any and all of its duties and exercise its rights and powers under this Agreement or under any other Loan Document by or through any one or more sub-agents appointed by it; provided that (i) no such appointment shall relieve any Agent of its obligations under this Agreement, each of which shall remain unchanged and (ii) each such Agent shall remain solely responsible for the performance of its respective obligations. Each of the Administrative Agent, the Collateral Agent and any such sub-agent may perform any and all of its duties and exercise its rights and powers by or through their respective Affiliates. The exculpatory, indemnification and other provisions of this Section 9.03 and of Section 9.06 shall apply to any of the Affiliates of the Administrative Agent or the Collateral Agent and shall apply to their respective activities in connection with the syndication of the credit facilities provided for herein as well as activities as the Administrative Agent or Collateral Agent, as applicable.

(d) Notice of Default or Event of Default. No Agent shall be deemed to have knowledge of any Default or Event of Default unless and until written notice describing such Default or Event of Default is given to such Agent by a Loan Party or a Lender. In the event that the Administrative Agent shall receive such a notice, the Administrative Agent shall give notice thereof to the Lenders, provided that failure to give such notice shall not result in any liability on the part of the Administrative Agent.

Section 9.04 Agents Entitled to Act as Lender

The agency hereby created shall in no way impair or affect any of the rights and powers of, or impose any duties or obligations upon, any Agent in its individual capacity as a Lender hereunder. With respect to its participation in the Loans, each Agent shall have the same rights and powers hereunder in its capacity as a Lender as any other Lender and may exercise the same as if it were not performing the duties and functions delegated to it hereunder, and the term “Lender” shall, unless the context clearly otherwise indicates, include each Agent in its individual capacity. Any Agent and its Affiliates may accept deposits from, lend money to, own securities of, and generally engage in any kind of banking, trust, financial advisory or other business with Holdings or any of its Affiliates as if it were not performing the duties specified herein, and may accept fees and other consideration from Holdings for

services in connection herewith and otherwise without having to account for the same to Lenders. The Lenders acknowledge that

pursuant to such activities, the Agents or their Affiliates may receive information regarding any Loan Party or any Affiliate of any Loan Party (including information that may be subject to confidentiality obligations in favor of such Loan Party or such Affiliate) and acknowledge that the Agents and their Affiliates shall be under no obligation to provide such information to them.

Section 9.05 Lenders' Representations, Warranties and Acknowledgment.

(a) Each Lender represents and warrants that it has made its own independent investigation of the financial condition and affairs of Holdings and its Restricted Subsidiaries in connection with Credit Extensions hereunder and that it has made and shall continue to make its own appraisal of the creditworthiness of Holdings and its Restricted Subsidiaries. No Agent shall have any duty or responsibility, either initially or on a continuing basis, to make any such investigation or any such appraisal on behalf of Lenders or to provide any Lender with any credit or other information with respect thereto, whether coming into its possession before the making of the Loans or at any time or times thereafter, and no Agent shall have any responsibility with respect to the accuracy of or the completeness of any information provided to Lenders.

(b) Each Lender, by delivering its signature page to this Agreement, an Assignment Agreement and funding its Initial Term Loan on the Closing Date or by the funding of the Delayed Draw Term Loan, as the case may be, shall be deemed to have acknowledged receipt of, and consented to and approved, each Loan Document and each other document required to be approved by any Agent, Required Lenders or Lenders, as applicable on the Closing Date or as of the date of funding of the Delayed Draw Term Loan.

Section 9.06 Right to Indemnity

Each Lender, in proportion to its Pro Rata Share, severally agrees to indemnify each Agent to the extent that such Agent shall not have been reimbursed by any Loan Party (and without limiting its obligation to do so), for and against any and all liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses (including counsel fees and disbursements) or disbursements of any kind or nature whatsoever which may be imposed on, incurred by or asserted against such Agent in exercising its powers, rights and remedies or performing its duties hereunder or under the other Loan Documents or otherwise in its capacity as such Agent in any way relating to or arising out of this Agreement or the other Loan Documents; provided, that no Lender shall be liable for any portion of such liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements resulting from such Agent's gross negligence or willful misconduct, as determined by a final, non-appealable judgment of a court of competent jurisdiction. If any indemnity furnished to any Agent for any purpose shall, in the opinion of such Agent, as applicable, be insufficient or become impaired, such Agent, as applicable, may call for additional indemnity and cease, or not commence, to do the acts indemnified against until such additional indemnity is furnished; provided, that in no event shall this sentence require any Lender to indemnify any Agent against any liability, obligation, loss, damage, penalty, action, judgment, suit, cost, expense or disbursement in excess of such Lender's Pro Rata Share thereof; and provided, further, that this sentence shall not be deemed to require any Lender to indemnify any Agent against any liability, obligation, loss, damage, penalty, action, judgment, suit, cost, expense or disbursement described in the proviso in the immediately preceding sentence.

Section 9.07 Successor Administrative Agent and Collateral Agent.

(a) The Administrative Agent shall have the right to resign at any time by giving prior written notice thereof to the Lenders and the Borrower Representative. The Administrative Agent shall have the right to appoint a financial institution to act as the Administrative Agent and/or the Collateral

Agent hereunder, and the Administrative Agent's resignation shall become effective on the tenth (10^{th}) day after such notice of resignation. Upon any such notice of resignation, if a successor Administrative Agent has not already been appointed by the retiring Administrative Agent, Required Lenders shall have the right (with the Borrowers' prior written consent (so long as no Event of Default is then continuing and which consent shall not be unreasonably conditioned, delayed or withheld)), upon five (5) Business Days' notice, to appoint a successor Administrative Agent. If neither the Required Lenders nor the Administrative Agent have appointed a successor Administrative Agent, then the Required Lenders shall be deemed to have succeeded to and become vested with all the rights, powers, privileges and duties of the retiring Administrative Agent; provided, that until a successor Administrative Agent is so appointed by Required Lenders or the Administrative Agent, the Administrative Agent, by notice to the Borrower Representative and Required Lenders, may retain its role as the Collateral Agent under any Security Document. Upon the acceptance of any appointment as the Administrative Agent hereunder by a successor Administrative Agent, that successor Administrative Agent shall thereupon succeed to and become vested with all the rights, powers, privileges and duties of the retiring Administrative Agent and the retiring Administrative Agent shall promptly (i) transfer to such successor Administrative Agent all sums, Equity Interests, and other items of Collateral held under the Security Documents, together with all records and other documents necessary or appropriate in connection with the performance of the duties of the successor Administrative Agent under the Loan Documents, and (ii) execute and deliver to such successor Administrative Agent such amendments to financing statements, and take such other actions, as may be necessary or appropriate in connection with the assignment to such successor Administrative Agent of the security interests created under the Security Documents, whereupon such retiring Administrative Agent shall be discharged from its duties and obligations hereunder. Except as provided above, any resignation of SAI or its successor as the Administrative Agent pursuant to this Section 9.07(a) shall also constitute the resignation of SAI or its successor as the Collateral Agent. After any retiring Administrative Agent's resignation hereunder as the Administrative Agent, the provisions of this Article IX shall inure to its benefit as to any actions taken or omitted to be taken by it while it was the Administrative Agent hereunder. Any successor Administrative Agent appointed pursuant to this Section 9.07(a) shall, upon its acceptance of such appointment, become the successor Collateral Agent for all purposes hereunder.

(b) In addition to the foregoing, the Collateral Agent may resign at any time by giving thirty (30) days' prior written notice thereof to Lenders and the Borrower Representative. The Administrative Agent shall have the right to appoint a financial institution as the Collateral Agent hereunder, and the Collateral Agent's resignation shall become effective on the tenth (10^{th}) day after such notice of resignation. Upon any such notice of resignation, the Required Lenders shall have the right (with the Borrowers' prior written consent (so long as no Event of Default is then continuing and which consent shall not be unreasonably conditioned, delayed or withheld)), upon five (5) Business Days' notice to the Administrative Agent, to appoint a successor Collateral Agent. If neither the Required Lenders nor the Collateral Agent have appointed a successor Collateral Agent, then the Required Lenders shall be deemed to have succeeded to and become vested with all the rights, powers, privileges and duties of the retiring Collateral Agent. Upon the acceptance of any appointment as the Collateral Agent hereunder by a successor Collateral Agent, that the successor Collateral Agent shall thereupon succeed to and become vested with all the rights, powers, privileges and duties of the retiring Collateral Agent under this Agreement and the Security Documents, and the retiring Collateral Agent under this Agreement shall promptly (i) transfer to such successor Collateral Agent all sums, Equity Interests, and other items of Collateral held hereunder or under the Security Documents, together with all records and other documents necessary or appropriate in connection with the performance of the duties of the successor Collateral Agent under this Agreement and the Security Documents, and (ii) execute and deliver to such successor Collateral Agent or otherwise authorize the filing of such amendments to financing statements, and take such other actions, as may be necessary or appropriate in connection with the assignment to such successor Collateral Agent of the security interests created under the Security Documents, whereupon

such retiring Collateral Agent shall be discharged from its duties and obligations under this Agreement and the Security Documents. After any

retiring Collateral Agent's resignation hereunder as the Collateral Agent, the provisions of this Agreement and the Security Documents shall inure to its benefit as to any actions taken or omitted to be taken by it under this Agreement or the Security Documents while it was the Collateral Agent hereunder.

Section 9.08 Security Documents and Guaranty.

(a) Agents under Security Documents and Guaranty. Each Secured Party hereby further authorizes the Administrative Agent or the Collateral Agent, as applicable, on behalf of and for the benefit of Secured Parties, to be the agent for and representative of Secured Parties with respect to the Guaranty, the Collateral and the Security Documents; provided, that, except as expressly set forth herein, neither the Administrative Agent nor the Collateral Agent shall owe any fiduciary duty, duty of loyalty, duty of care, duty of disclosure or any other obligation whatsoever to any holder of Obligations. Subject to Section 10.05, without further written consent or authorization from any Secured Party, the Administrative Agent or the Collateral Agent, as applicable may execute any documents or instruments necessary to (i) in connection with a sale or disposition of assets permitted by this Agreement, release any Lien encumbering any item of Collateral that is the subject of such sale or other disposition of assets or to which Required Lenders (or such other Lenders as may be required to give such consent under Section 10.05) have otherwise consented or (ii) release any Guarantor from the Guaranty with respect to which Required Lenders (or such other Lenders as may be required to give such consent under Section 10.05) have otherwise consented.

(b) Right to Realize on Collateral and Enforce Guaranty. Anything contained in any of the Loan Documents to the contrary notwithstanding, the Borrowers, the Administrative Agent, the Collateral Agent and each Secured Party hereby agree that (i) no Secured Party shall have any right individually to realize upon any of the Collateral or to enforce the Guaranty, it being understood and agreed that all powers, rights and remedies hereunder may be exercised solely by the Administrative Agent, on behalf of the Secured Parties in accordance with the terms hereof and all powers, rights and remedies under the Security Documents may be exercised solely by the Collateral Agent on behalf of the Secured Parties and (ii) in the event of a foreclosure by the Collateral Agent on any of the Collateral pursuant to a public or private sale or other disposition, the Collateral Agent, the Administrative Agent or any Lender may be the purchaser or licensor of any or all of such Collateral at any such sale or other disposition and the Collateral Agent, as agent for and representative of Secured Parties (but not any Lender or Lenders in its or their respective individual capacities unless Required Lenders shall otherwise agree in writing) shall be entitled, for the purpose of bidding and making settlement or payment of the purchase price for all or any portion of the Collateral sold at any such public sale, to use and apply any of the Obligations as a credit on account of the purchase price for any collateral payable by the Collateral Agent at such sale or other disposition.

(c) Release of Collateral and Guarantees, Termination of Loan Documents. Notwithstanding anything to the contrary contained herein or any other Loan Document, when either (i) all Obligations have been paid in full or (ii) in connection with any disposition, merger, consolidation or other similar action expressly permitted under this Agreement, upon request of the Borrower Representative, the Administrative Agent and the Collateral Agent shall (without notice to, or vote or consent of, any Lender) take such actions as shall be required to release its security interest in all (or, in the case of clause (ii), the relevant portion) of the Collateral and, if applicable, to release all guarantee obligations provided for in any Loan Document, to the extent that, after giving effect to any transaction described in clause (ii) above, the security interest in such Collateral and such guaranty would not be required pursuant to the terms of this Agreement. Any such release of guarantee obligations shall be deemed subject to the provision that such guarantee obligations shall be reinstated if after such release any portion of any payment in respect of the Obligations guaranteed thereby shall be rescinded or must otherwise be restored or returned upon the insolvency, bankruptcy, dissolution, liquidation or

reorganization of any Borrower or any Guarantor, or upon or as a result of the appointment of a receiver, intervenor or conservator of, or trustee or similar officer

for, any Borrower or any Guarantor or any substantial part of its property, or otherwise, all as though such payment had not been made.

Section 9.09 Withholding Taxes

To the extent required by any applicable Law, the Administrative Agent may withhold from any payment to any Lender an amount equivalent to any applicable withholding Tax. If the Internal Revenue Service or any other Governmental Authority asserts a claim that the Administrative Agent did not properly withhold Tax from amounts paid to or for the account of any Lender because the appropriate form was not delivered or was not properly executed or because such Lender failed to notify the Administrative Agent of a change in circumstance which rendered the exemption from, or reduction of, withholding Tax ineffective or for any other reason, such Lender shall indemnify the Administrative Agent fully for all amounts paid, directly or indirectly, by the Administrative Agent as Tax or otherwise, including any penalties or interest and together with all expenses (including legal expenses, allocated internal costs and out-of-pocket expenses) incurred.

Section 9.10 Administrative Agent May File Proofs of Claim

In case of the pendency of any proceeding under the Bankruptcy Code or other applicable Law or any other judicial proceeding relative to any Borrower, the Administrative Agent (irrespective of whether the principal of any Loan shall then be due and payable as herein expressed or by declaration or otherwise and irrespective of whether the Administrative Agent shall have made any demand on the Borrowers) shall be entitled and empowered, by intervention in such proceeding or otherwise (a) to file and prove a claim for the whole amount of the principal and interest owing and unpaid in respect of the Loans and all other Obligations that are owing and unpaid and to file such other documents as may be necessary or advisable in the determination of the Administrative Agent in order to have the claims of the Lenders and the other Secured Parties (including fees, disbursements and other expenses of counsel) allowed in such judicial proceeding and (b) to collect and receive any monies or other property payable or deliverable on any such claims and to distribute the same. Any custodian, receiver, assignee, trustee, liquidator, sequestrator or other similar official in any such judicial proceeding is hereby authorized by each Lender and other Secured Party to make such payments to the Administrative Agent. Nothing contained herein shall be deemed to authorize the Administrative Agent to authorize or consent to or accept or adopt on behalf of any Lender or other Secured Party any plan of reorganization, arrangement, adjustment or composition affecting the Obligations or the rights of any Lender or other Secured Party to authorize the Administrative Agent to vote in respect of the claim of such Person or in any such proceeding.

ARTICLE X
MISCELLANEOUS

Section 10.01 Notices.

(a) Notices Generally. Any notice or other communication herein required or permitted to be given to a Loan Party, the Collateral Agent, and/or the Administrative Agent, shall be sent to such Person's address as set forth on Schedule 1.01(c) or in the other relevant Loan Document, and in the case of any Lender, the address as indicated on Schedule 1.01(c) or otherwise indicated to the Administrative Agent in writing. Except as otherwise set forth in paragraph (b) below, each notice hereunder shall be in writing and may be personally served or sent by United States mail or overnight courier service or hand delivery or sent by telecopier and shall be deemed to have been given when (i) delivered in person or by courier service and signed for against receipt thereof or (ii) three (3) Business Days after depositing it in the United States mail with postage prepaid and properly addressed or (iii) when sent if by telecopier (except that if not given during normal business hours for the recipient, then when the

recipient is open for business hours on the next Business Day); provided, that any such notice or other communication shall at the reasonable request of the Administrative Agent be provided to any sub-agent appointed pursuant to Section 9.03(c) hereto as designated by the Administrative Agent from time to time.

(b) Electronic Communications.

(i) Notices and other communications to Lenders hereunder may be delivered or furnished by electronic communication (including e-mail and Internet or intranet websites, including the Platform) pursuant to procedures approved by the Administrative Agent; provided, that the foregoing shall not apply to notices to any Lender pursuant to Article II if such Lender, as applicable, has notified the Administrative Agent that it is incapable of receiving notices under such Section by electronic communication. The Administrative Agent or the Borrowers may, in their discretion, agree to accept notices and other communications to it hereunder by electronic communications pursuant to procedures approved by it; provided, further, that approval of such procedures may be limited to particular notices or communications. Unless the Administrative Agent otherwise prescribes, (A) notices and other communications sent to an e-mail address shall be deemed received upon the sender's receipt of an acknowledgement from the intended recipient (such as by the "return receipt requested" function, as available, return e-mail or other written acknowledgement); provided, that if such notice or other communication is not sent during the normal business hours of the recipient, such notice or communication shall be deemed to have been sent at the opening of business on the next Business Day for the recipient and (B) notices or communications posted to an Internet or intranet website shall be deemed received upon the deemed receipt by the intended recipient at its e-mail address as described in the foregoing clause (A) of notification that such notice or communication is available and identifying the website address therefor.

(ii) Each Loan Party understands that the distribution of material through an electronic medium is not necessarily secure and that there are confidentiality and other risks associated with such distribution and agrees and assumes the risks associated with such electronic distribution.

(iii) The Platform and any Approved Electronic Communications are provided "as is" and "as available". None of the Agents nor any of their respective officers, directors, employees, agents, advisors or representatives (the "Agent Affiliates") warrant the accuracy, adequacy, or completeness of the Approved Electronic Communications or the Platform and each expressly disclaims liability for errors or omissions in the Platform and the Approved Electronic Communications. No warranty of any kind, express, implied or statutory, including any warranty of merchantability, fitness for a particular purpose, non-infringement of third party rights or freedom from viruses or other code defects is made by the Agent Affiliates in connection with the Platform or the Approved Electronic Communications. Each party hereto agrees that no Agent has any responsibility for maintaining or providing any equipment, software, services or any testing required in connection with any Approved Electronic Communication or otherwise required for the Platform. In no event shall any Agent nor any of the Agent Affiliates have any liability to any Loan Party, any Lender or any other Person for (a) indirect, special, incidental or consequential damages, losses or expenses (whether in tort, contract, strict liability or otherwise) arising out of any Loan Party's or any Agent's transmission of communications through the Internet, and (b) direct damages of any kind, whether or not based on strict liability and including damages, losses or expenses (whether in tort, contract or otherwise) arising out of any Loan Party's or any Agent's transmission of communications through the Internet, except to the extent the liability of any such Person, with regard to this clause (b), is found in a final ruling

by a court of competent jurisdiction to have resulted from such Person's gross negligence or willful misconduct.

(iv) Each Loan Party, each Lender, and each Agent agrees that the Administrative Agent may, but shall not be obligated to, store any Approved Electronic Communications on the Platform in accordance with the Administrative Agent's customary document retention procedures and policies.

(v) All uses of the Platform shall be governed by and subject to, in addition to this Section 10.01, separate terms and conditions posted or referenced in such Platform and related agreements executed by the Lenders and their Affiliates in connection with the use of such Platform.

(vi) Any notice of Default or Event of Default may be provided by telephonic notice if confirmed promptly thereafter by delivery of written notice thereof.

(c) Change of Address. Any party hereto may changes its address or telecopy number for notices and other communications hereunder by written notice to the other parties hereto.

Section 10.02 Expenses

The Borrowers jointly and severally agree to pay promptly: (a) all the costs and expenses incurred by the Agents and Lenders in connection with the diligence of the Loan Parties and the negotiation, preparation and execution of the Loan Documents and any consents, amendments, supplements, waivers or other modifications thereto, regardless of whether the same become effective; (b) all the costs of furnishing all opinions by counsel for Borrowers and the other Loan Parties; (c) the reasonable out-of-pocket fees, expenses and disbursements of counsel to Agents in connection with the negotiation, preparation, execution and administration of the Loan Documents and any consents, amendments, supplements, waivers or other modifications thereto and any other documents or matters requested by the Borrowers; (d) all the actual out-of-pocket costs and expenses incurred by the Agents in creating, perfecting, recording, maintaining and preserving Liens in favor of the Collateral Agent, for the benefit of Secured Parties, including filing and recording fees, expenses, stamp or documentary Taxes, search fees, and reasonable fees, expenses and disbursements of counsel to each Agent; (e) all of the actual out-of-pocket costs, fees, expenses and disbursements of any Agent's auditors, accountants, consultants or appraisers; (f) all the actual out-of-pocket costs and expenses of the Agents (including the reasonable documented out-of-pocket fees, expenses and disbursements of any appraisers, consultants, advisors and agents employed or retained by the Collateral Agent and its counsel) in connection with the custody or preservation of any of the Collateral; (g) all other actual out-of-pocket costs and expenses incurred by each Agent in connection with Loans and Commitments and the transactions contemplated by the Loan Documents and any consents, amendments, supplements, waivers or other modifications thereto; and (h) all out-of-pocket costs and expenses, including reasonable and documented out-of-pocket attorneys' fees and costs of settlement, incurred by any Agent or Lenders in enforcing any Obligations of or in collecting any payments due from any Loan Party hereunder or under the other Loan Documents (including in connection with the sale, lease or license of, collection from, or other realization upon any of the Collateral or the enforcement of the Guaranty) or in connection with any refinancing or restructuring of the credit arrangements provided hereunder in the nature of a "work-out" or pursuant to any insolvency or bankruptcy cases or proceedings. All amounts due under this Section 10.02 shall be due and payable within thirty (30) days after demand therefor with reasonable additional supporting detail to be made available as may be reasonably requested by the Borrower Representative in a scope mutually agreeable as between Borrowers and the Administrative Agent.

Section 10.03 Indemnity.

(a) In addition to the payment of expenses pursuant to Section 10.02, whether or not the transactions contemplated hereby are consummated, each Loan Party agrees to defend (subject to Indemnitees' rights to selection of counsel), indemnify, pay and hold harmless, each Agent, and each Lender and the officers, partners, members, directors, trustees, shareholders, advisors, employees, representatives, attorneys, controlling persons, agents, sub-agents and Affiliates of each Agent, and each Lender, as well as the respective heirs, successors and assigns of the foregoing (each, an "Indemnitee"), from and against any and all Indemnified Liabilities; provided, that no Loan Party shall have any obligation to any Indemnitee hereunder with respect to any Indemnified Liabilities to the extent such Indemnified Liabilities arise from the gross negligence or willful misconduct of any Indemnitee, as determined by a court of competent jurisdiction by final and non-appealable judgment. Without limiting the foregoing, and to the extent permitted by applicable Law, each Loan Party agrees not to assert and hereby waives all rights for contribution or any other rights of recovery with respect to all Indemnified Liabilities relating to or arising out of any Environmental Claim or any Hazardous Materials activity. To the extent that the undertakings to defend, indemnify, pay and hold harmless set forth in this Section 10.03 may be unenforceable in whole or in part because they are violative of any law or public policy, the applicable Loan Party shall contribute the maximum portion that it is permitted to pay and satisfy under applicable Law to the payment and satisfaction of all Indemnified Liabilities incurred by Indemnitees or any of them.

(b) To the extent permitted by applicable Law, no Loan Party shall assert, and each Loan Party hereby waives, any claim against each Agent, and each Lender and their respective Affiliates, officers, partners, members, directors, trustees, shareholders, advisors, employees, representatives, attorneys, controlling persons, agents and sub-agents on any theory of liability, for special, indirect, consequential or punitive damages (as opposed to direct or actual damages) (whether or not the claim therefor is based on contract, tort or duty imposed by any applicable legal requirement) arising out of, in connection with, as a result of or in any way related to this Agreement or any Loan Document or any agreement or instrument contemplated hereby or thereby or referred to herein or therein, the transactions contemplated hereby or thereby, the transmission of information through the Internet, any Loan or the use of the proceeds thereof or any act or omission or event occurring in connection therewith, and each Loan Party hereby waives, releases and agrees not to sue upon or assert any such claim or any such damages, whether or not accrued and whether or not known or suspected to exist in its favor.

(c) All amounts due under this Section 10.03 shall be due and payable within thirty (30) days after demand therefor with reasonable additional supporting detail to be made available as may be reasonably requested by the Borrower in a scope mutually agreeable as between Borrowers and the Administrative Agent.

(d) This Section 10.03 shall not apply to Taxes other than any Taxes that represent Indemnified Liabilities arising from any non-Tax claim.

Section 10.04 Set-Off

In addition to any rights now or hereafter granted under applicable Law and not by way of limitation of any such rights, upon the occurrence and during the continuation of any Event of Default, each Lender is hereby authorized by each Loan Party at any time or from time to time subject to the consent of the Administrative Agent (such consent not to be unreasonably withheld or delayed), without notice to any Loan Party or to any other Person (other than the Administrative Agent), any such notice being hereby expressly waived to the fullest extent permitted by applicable Law, to set off and to appropriate and to apply any and all deposits (time or demand, provisional or final, general or special, including Indebtedness evidenced by certificates of deposit, whether matured or unmatured, but not including trust accounts) and any other Indebtedness at any time held or owing by such Lender to or for

the credit or the account of any Loan Party against and on account of the obligations and liabilities of any Loan Party to such Lender

hereunder and under the other Loan Documents, including all claims of any nature or description arising out of or connected hereto or with any other Loan Document, irrespective of whether or not (a) such Lender shall have made any demand hereunder or (b) the principal of or the interest on the Loans or any other amounts due hereunder shall have become due and payable pursuant to Article II and although such obligations and liabilities, or any of them, may be contingent or unmatured.

Section 10.05 Amendments and Waivers.

(a) Administrative Agent's and Required Lenders' Consent. Subject to the additional requirements of Sections 10.05(b) and 10.05(c), no amendment, supplement, modification, termination or waiver of any provision of the Loan Documents, or consent to any departure by any Loan Party therefrom, shall in any event be effective without the written concurrence of the Required Lenders, the Administrative Agent and the Loan Parties affected thereby (delivery of an executed counterpart of a signature page to the applicable amendment, supplement, modification, termination or waiver by facsimile or other electronic transmission will be effective as delivery of a manually executed counterpart thereof).

(b) Affected Lenders' Consent. Without the written consent of each Lender that would be directly and adversely affected thereby, no amendment, supplement, modification, termination, or consent shall be effective if the effect thereof would:

(i) extend the scheduled final maturity of such Lender's Loan or Note;

(ii) waive, reduce or postpone any scheduled repayment (but not prepayment) of principal due to such Lender;

(iii) reduce the rate of interest on any Loan or any fee or any premium payable hereunder and due to such Lender; provided, that only the consent of the Required Lenders shall be necessary to waive the imposition of the Default Rate in Section 2.07;

(iv) waive or extend the time for payment of any interest, fees or premiums due to such Lender;

(v) reduce or forgive the principal amount of any Loan due to such Lender;

(vi) change or have the effect of changing the priority or pro rata treatment of any payments (including voluntary and mandatory prepayments), Liens, or proceeds of Collateral (including as a result in whole or in part of allowing the issuance or incurrence, pursuant to this Agreement or otherwise, of new loans or other Indebtedness permitted hereunder having any priority over any of the Obligations in respect of payments, Liens, Collateral or proceeds of Collateral, in exchange for any Obligations or otherwise) or otherwise amend, modify, terminate or waive any provision of Section 2.13(f), 2.14, 4.18, 4.25, 6.15, 10.05 or 10.06 (as it relates to assignments to other Lenders and Affiliates) or any other provision of this Agreement that expressly provides that the consent of all Lenders is required;

(vii) amend the definition of "Eligible Assignee" or amend the definition of "Required Lenders" or the definition of "Pro Rata Share"; provided that with the consent of Required Lenders, additional extensions of credit pursuant hereto may be included in the determination of "Required Lenders" or "Pro Rata Share" on substantially the same basis as the Term Loan Commitments, the Term Loans, the Delayed Draw Term Loan Commitments and the Delayed Draw Term Loan are included on the Closing Date;

(viii) (a) release all or substantially all of the Collateral or all or substantially all of the Guarantors from the Guaranty or (b) subordinate the Lien of the Collateral Agent on all or substantially all the Collateral or subordinate any Guaranty of the Guarantors, except in each case as expressly provided in the Loan Documents; or

(ix) consent to the assignment or transfer by any Loan Party of any of its rights and obligations under any Loan Document except as expressly provided in any Loan Document;

provided that, for the avoidance of doubt, all Lenders shall be deemed directly and adversely affected thereby with respect to any amendment described in clauses (vi), (vii), (viii) and (ix).

(c) Other Consents. No amendment, modification, termination or waiver of any provision of the Loan Documents, or consent to any departure by any Loan Party therefrom, shall:

(i) increase any Commitment of any Lender over the amount thereof then in effect without the consent of such Lender; provided that no amendment, modification or waiver of any condition precedent, covenant, Default or Event of Default shall be deemed to constitute an increase in any Commitment of any Lender;

(ii) alter the required application of any repayments or prepayments as among Classes pursuant to Section 2.12 or 2.13 without the consent of Lenders holding more than [***] percent ([***]%) of the aggregate Initial Term Loan Exposure of all Lenders or Delayed Draw Term Loan Exposure of all Lenders, as applicable, of each Class which is being allocated a lesser repayment or prepayment as a result thereof; provided, that Required Lenders may waive, in whole or in part, any prepayment so long as the application, as among Classes, of any portion of such prepayment which is still required to be made is not altered;

(iii) amend, modify or waive this Agreement or the Pledge and Security Agreement so as to alter the treatment of Obligations arising under the Loan Documents or the definition of "Obligations," or "Secured Obligations" (as defined in any applicable Security Document) in each case in a manner adverse to any Lender with Obligations then outstanding without the written consent of any such Lender or release all or substantially all of the Collateral or all or substantially all of the Guarantors from the Guaranty except as expressly provided in the Loan Documents without the written consent of each Lender with Obligations then outstanding; or

(iv) amend, modify, terminate or waive any provision of Article IX as the same applies to any Agent, or any other provision hereof as the same applies to the rights or obligations of any Agent, in each case without the consent of such Agent.

(d) Execution of Amendments, Etc. The Administrative Agent may, but shall have no obligation to, with the concurrence of any Lender, execute amendments, supplements, modifications, waivers or consents on behalf of such Lender. Any waiver or consent shall be effective only in the specific instance and for the specific purpose for which it was given. In the case of any waiver, the parties hereto shall be restored to their former position and rights hereunder and under the other Loan Documents, and any Default or Event of Default waived shall be deemed to be cured and not continuing, but no such waiver shall extend to any subsequent or other Default or Event of Default, or impair any right consequent thereon. No notice to or demand on any Loan Party in any case shall entitle any Loan Party to any other or further notice or demand in similar or other circumstances. Any amendment, modification, termination, waiver or

consent effected in accordance with this Section 10.05 shall be binding upon each Lender at the time outstanding, each future Lender and, if signed by a Loan Party, on such Loan Party.

(e) Notwithstanding anything to the contrary herein, the Administrative Agent is authorized by the Lenders to enter into amendments to this Agreement or any other Loan Document, with the prior written consent of the Borrowers only, for the purpose of curing any typographical error, incorrect cross-reference, defect in form, inconsistency, omission or ambiguity in this Agreement or any other Loan Document to which it is a party (without any consent or approval by the Lenders).

Section 10.06 Successors and Assigns; Participations.

(a) Generally. This Agreement shall be binding upon the parties hereto and their respective successors and assigns and shall inure to the benefit of the parties hereto and the successors and permitted assigns of Lenders (and any purported assignment or delegation without such consent shall be null and void). No Loan Party's rights or obligations hereunder nor any interest therein may be assigned or delegated by any Loan Party without the prior written consent of all Lenders (and any purported assignment or delegation without such consent shall be null and void).

(b) Register. The Borrowers, the Administrative Agent and Lenders shall deem and treat the Persons listed as Lenders in the Register as the holders and owners of the corresponding Commitments and Loans listed therein for all purposes hereof, and no assignment or transfer of any such Commitment or Loan shall be effective, in each case, unless and until recorded in the Register following receipt of a fully executed Assignment Agreement effecting the assignment or transfer thereof, together with the required forms and certificates regarding Tax matters and any fees payable in connection with such assignment, in each case, as provided in Section 10.06(d). Each assignment shall be recorded in the Register promptly following receipt by the Administrative Agent of the fully executed Assignment Agreement and all other necessary documents and approvals, prompt notice thereof shall be provided to the Borrowers and a copy of such Assignment Agreement shall be maintained, as applicable. The date of such recordation of a transfer shall be referred to herein as the "Assignment Effective Date". Any request, authority or consent of any Person who, at the time of making such request or giving such authority or consent, is listed in the Register as a Lender shall be conclusive and binding on any subsequent holder, assignee or transferee of the corresponding Commitments or Loans.

(c) Right to Assign. Each Lender shall have the right at any time to sell, assign or transfer all or a portion of its rights and obligations under this Agreement, including all or a portion of its Commitment or Loans owing to it or other Obligations to any Person meeting the criteria of the term of "Eligible Assignee".

(d) Mechanics. Assignments and assumptions of Loans and Commitments by Lenders shall be effected by manual execution and delivery to the Administrative Agent of an Assignment Agreement. Assignments made pursuant to the foregoing provision shall be effective as of the Assignment Effective Date. In connection with all assignments there shall be delivered to the Administrative Agent such forms, certificates or other evidence, if any, with respect to United States federal Income Tax withholding matters as the assignee under such Assignment Agreement may be required to deliver pursuant to Section 2.16(b) including all documentation and other information required by regulatory authorities under applicable "know-your-customer" and anti-money laundering rules and regulations, including, without limitation, the USA PATRIOT Act, together with Organizational Documents and payment to the Administrative Agent of a registration and processing fee of $3,500 (except that no such registration and processing fee shall be payable (y) in connection with an assignment by or to SAI or any Affiliate thereof or (z) in the case of an Eligible Assignee which is already a Lender or is an Affiliate or Related Fund of a Lender or a Person under common management with a Lender).

(e) Representations and Warranties of Assignee. Each Lender, upon execution and delivery hereof or upon succeeding to an interest in the Commitments and Loans, as the case may be, represents and warrants as of the Closing Date or as of the Assignment Effective Date that (i) it is an Eligible Assignee; (ii) it has experience and expertise in the making of or investing in commitments or loans such as the applicable Commitments or Loans, as the case may be; and (iii) it shall make or invest in, as the case may be, its Commitments or Loans for its own account in the ordinary course and without a view to distribution of such Commitments or Loans within the meaning of the Securities Act or the Exchange Act or other federal securities laws (it being understood that, subject to the provisions of this Section 10.06, the disposition of such Commitments or Loans or any interests therein shall at all times remain within its exclusive control).

(f) Effect of Assignment. Subject to the terms and conditions of this Section 10.06, as of the Assignment Effective Date (i) the assignee thereunder shall have the rights and obligations of a "Lender" hereunder to the extent of its interest in the Loans and Commitments as reflected in the Register and shall thereafter be a party hereto and a "Lender" for all purposes hereof; (ii) the assigning Lender thereunder shall, to the extent that rights and obligations hereunder have been assigned to the assignee, relinquish its rights (other than any rights which survive the termination hereof, including under Section 10.08) and be released from its obligations hereunder (and, in the case of an assignment covering all or the remaining portion of an assigning Lender's rights and obligations hereunder, such Lender shall cease to be a party hereto on the Assignment Effective Date; provided, that anything contained in any of the Loan Documents to the contrary notwithstanding, such assigning Lender shall continue to be entitled to the benefit of all indemnities hereunder as specified herein with respect to matters arising out of the prior involvement of such assigning Lender as a Lender hereunder); (iii) the Commitments shall be modified to reflect any Commitment of such assignee and any Delayed Draw Term Loan Commitment of such assigning Lender, if any; and (iv) if any such assignment occurs after the issuance of any Note hereunder, the assigning Lender shall, upon the effectiveness of such assignment or as promptly thereafter as practicable, surrender its applicable Notes to the Administrative Agent for cancellation, and thereupon the Borrowers shall issue and deliver new Notes, if so requested by the assignee and/or assigning Lender, to such assignee and/or to such assigning Lender, with appropriate insertions, to reflect the new Delayed Draw Term Loan Commitments and/or outstanding Loans of the assignee and/or the assigning Lender. Any assignment or transfer by a Lender of rights or obligations under this Agreement that does not comply the requirements of this Section 10.06 shall be treated for purposes of this Agreement as a sale by such Lender of a participation in such rights and obligations in accordance with Section 10.06(g). Any assignment by a Lender pursuant to this Section 10.06 shall not in any way constitute or be deemed to constitute a novation, discharge, rescission, extinguishment or substitution of the Indebtedness hereunder, and any Indebtedness so assigned shall continue to be the same obligation and not a new obligation.

(g) Participations.

(i) Each Lender shall have the right at any time to sell one or more participations to any Person (other than Holdings, any of its Subsidiaries or any of its Affiliates) in all or any part of its Commitments, Loans or in any other Obligation; provided that (i) such Lender's obligations under this Agreement shall remain unchanged, (ii) such Lender shall remain solely responsible to the other parties hereto for the performance of such obligations and (iii) Holdings, the Administrative Agent, and the Lenders shall continue to deal solely and directly with such Lender in connection with such Lender's rights and obligations under this Agreement.

(ii) Any agreement or instrument pursuant to which a Lender sells such a participation shall provide that such Lender shall retain the sole right to enforce this Agreement and to approve any amendment, modification or waiver of any provision of this Agreement; provided that such agreement or instrument may provide that such Lender will not, without the

consent of the holder of such participation, agree to any amendment, modification or waiver that would (A) extend the final scheduled maturity of any Loan or Note in which such participant is participating, or reduce the rate or extend the time of payment of interest or fees thereon (except in connection with a waiver of applicability of any post-default increase in interest rates) or reduce the principal amount thereof, or increase the amount of the participant's participation over the amount thereof then in effect (it being understood that a waiver of any Default or Event of Default or of a mandatory reduction in the Commitment shall not constitute a change in the terms of such participation, and that an increase in any Commitment or Loan shall be permitted without the consent of any participant if the participant's participation is not increased as a result thereof), (B) consent to the assignment or transfer by any Loan Party of any of its rights and obligations under this Agreement, (C) amend the definition of "Required Lenders" (or amend Section 10.05(a) in a manner that has the same effect as an amendment to such definition) or the definition of "Pro Rata Share" or (D) release all or substantially all of the Guarantors or the Collateral under the Security Documents (except as expressly provided in the Loan Documents) supporting the Loans hereunder in which such participant is participating.

(iii) The Borrowers agree that each participant shall be entitled to the benefits of Sections 2.15 and 2.16 to the same extent as if it were a Lender and had acquired its interest by assignment pursuant to paragraph (c) of this Section; provided, that (x) a participant shall not be entitled to receive any greater payment under Section 2.15 or 2.16 than the applicable Lender would have been entitled to receive with respect to the participation sold to such participant, except to the extent such entitlement to receive a greater payment results from a change in Law that occurs after the participant acquired the applicable participation or unless the sale of the participation is made with the Borrowers' prior written consent (not to be unreasonably withheld or delayed) and (y) a participant that would be a non-United States. lender if it were a Lender shall not be entitled to the benefits of Section 2.16 unless the Borrowers are notified of the participation sold to such participant and such participant agrees, for the benefit of the Borrowers, to comply with Sections 2.16 as though it were a Lender; provided, further, that, except as specifically set forth in clauses (x) and (y) of this sentence, nothing herein shall require any notice to the Borrowers or any other Person in connection with the sale of any participation. To the extent permitted by law, each participant also shall be entitled to the benefits of Section 10.04 as though it were a Lender; provided, that such participant agrees to be subject to Section 2.14 as though it were a Lender.

(iv) Each Lender that sells a participation shall, acting solely for this purpose as a non-fiduciary agent of the Borrowers, maintain a register on which it enters the name and address of each participant and the principal amounts (and stated interest) of each participant's interest in the Commitments, Loans and other Obligations held by it (the "Participant Register"); provided that no Lender shall have any obligation to disclose all or any portion of the Participant Register (including the identity of any participant or any information relating to a participant's interest in any Commitments, Loans and other Obligations) to any Person except to the extent that such disclosure is necessary to establish that such commitment, loan, letter of credit or other obligation is in registered form under Section 5f.103-1(c) of the United States Treasury Regulations. The entries in the Participant Register shall be conclusive absent manifest error, and such Lender shall treat each Person whose name is recorded in the Participant Register as the owner of such Commitments, Loans and other Obligations as the owner thereof for all purposes of this Agreement notwithstanding any notice to the contrary. Any such Participant Register shall be available for inspection by any Agent at any reasonable time and from time to time upon reasonable prior notice. For the avoidance of doubt, neither Agent (in its capacity as an Agent) shall have any responsibility for maintaining a Participant Register.

(h) Certain Other Assignments and Participations. In addition to any other assignment or participation permitted pursuant to this Section 10.06 any Lender may assign and/or pledge (without the consent of the Borrowers or the Administrative Agent) all or any portion of its Loans, the other Obligations owed by or to such Lender, and its Notes, if any, to secure obligations of such Lender to any Person, including any Federal Reserve Bank, as collateral security pursuant to Regulation A of the Board of Governors and any offering circular issued by such Federal Reserve Bank or otherwise; provided, that no Lender, as between any Borrower and such Lender, shall be relieved of any of its obligations hereunder as a result of any such assignment and pledge; provided, further, that in no event shall the applicable Federal Reserve Bank, pledgee or trustee, be considered to be a "Lender" or be entitled to require the assigning Lender to take or omit to take any action hereunder.

Section 10.07 Independence of Covenants, Etc

All covenants, conditions and other terms hereunder and under the other Loan Documents shall be given independent effect so that if a particular action or condition is not permitted by any of such covenants, conditions or other terms, the fact that it would be permitted by an exception to, or would otherwise be within the limitations of, another covenant, condition or other term shall not avoid the occurrence of a Default or an Event of Default if such action is taken or condition exists.

Section 10.08 Survival of Representations, Warranties and Agreements

All representations, warranties and agreements made herein shall survive the execution and delivery hereof and the making of any Credit Extension, but shall be limited in application to the date made (or deemed made). Notwithstanding anything herein or implied by law to the contrary, the agreements of each Loan Party set forth in Sections 2.15, 2.16, 10.02, 10.03, 10.04 and 10.10 and the agreements of Lenders set forth in Sections 2.14, 9.03(b) and 9.06 shall survive the payment of the Loans and the termination hereof.

Section 10.09 No Waiver; Remedies Cumulative

No failure or delay or course of dealing on the part of any Agent or any Lender in the exercise of any power, right or privilege hereunder or under any other Loan Document shall impair such power, right or privilege or be construed to be a waiver of any default or acquiescence therein, nor shall any single or partial exercise of any such power, right or privilege preclude other or further exercise thereof or of any other power, right or privilege. The rights, powers and remedies given to each Agent and each Lender hereby are cumulative and shall be in addition to and independent of all rights, powers and remedies existing by virtue of any statute or rule of law or in any of the other Loan Documents. Any forbearance or failure to exercise, and any delay in exercising, any right, power or remedy hereunder shall not impair any such right, power or remedy or be construed to be a waiver thereof, nor shall it preclude the further exercise of any such right, power or remedy. Without limiting the generality of the foregoing, the making of any Credit Extension shall not be construed as a waiver of any Default or Event of Default, regardless of whether any Agent or Lender may have had notice or knowledge of such Default or Event of Default at the time of the making of any such Credit Extension.

Section 10.10 Marshalling; Payments Set Aside

Neither any Agent nor any Lender shall be under any obligation to marshal any assets in favor of any Loan Party or any other Person or against or in payment of any or all of the Obligations. To the extent that any Loan Party makes a payment or payments to the Administrative Agent or Lenders (or to the Administrative Agent, on behalf of Lenders), or any Agent or Lenders enforce any security interests or exercise their rights of setoff, and such payment or payments or the proceeds of such enforcement or setoff

or any part thereof are subsequently invalidated, declared to be fraudulent or preferential, set aside and/or required to be repaid to a trustee, receiver or any other party under any bankruptcy law, any other state or federal law, common law or any equitable cause, then, to the extent of such recovery, the obligation or part thereof originally intended to be satisfied, and all Liens, rights and remedies therefor or related thereto, shall be revived and continued in full force and effect as if such payment or payments had not been made or such enforcement or setoff had not occurred.

Section 10.11 Severability

In case any provision in or obligation hereunder or under any other Loan Document shall be invalid, illegal or unenforceable in any jurisdiction, the validity, legality and enforceability of the remaining provisions or obligations, or of such provision or obligation in any other jurisdiction, shall not in any way be affected or impaired thereby (it being understood that the invalidity, illegality or unenforceability of a particular provision in a particular jurisdiction shall not in and of itself affect the validity, legality or enforceability of such provision in any other jurisdiction). The parties hereto shall endeavor in good faith negotiations to replace any invalid, illegal or unenforceable provisions with valid, legal and enforceable provisions the economic effect of which comes as close as reasonably possible to that of the invalid, illegal or unenforceable provisions.

Section 10.12 Obligations Several; Independent Nature of Lenders' Rights

The obligations of Lenders hereunder are several and no Lender shall be responsible for the obligations or Commitment of any other Lender hereunder. Nothing contained herein or in any other Loan Document, and no action taken by Lenders pursuant hereto or thereto, shall be deemed to constitute Lenders as a partnership, an association, a joint venture or any other kind of entity.

Section 10.13 Table of Contents and Headings

The Table of Contents hereof and Article and Section headings herein are included herein for convenience of reference only and shall not constitute a part hereof for any other purpose, modify or amend the terms or conditions hereof, be used in connection with the interpretation of any term or condition hereof or be given any substantive effect.

Section 10.14 **APPLICABLE LAW**

THIS AGREEMENT AND THE RIGHTS AND OBLIGATIONS OF THE PARTIES HEREUNDER SHALL BE GOVERNED BY, AND SHALL BE CONSTRUED AND ENFORCED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK WITHOUT REGARD TO CONFLICT OF LAW PRINCIPLES THAT WOULD RESULT IN THE APPLICATION OF ANY LAW OTHER THAN THE LAW OF THE STATE OF NEW YORK.

Section 10.15 **CONSENT TO JURISDICTION**

SUBJECT TO CLAUSE (E) OF THE FOLLOWING SENTENCE, ALL JUDICIAL PROCEEDINGS BROUGHT AGAINST ANY PARTY ARISING OUT OF OR RELATING HERETO OR ANY OTHER LOAN DOCUMENT, OR ANY OF THE OBLIGATIONS, SHALL BE BROUGHT IN ANY STATE OR FEDERAL COURT OF COMPETENT JURISDICTION IN THE STATE, COUNTY AND CITY OF NEW YORK. BY EXECUTING AND DELIVERING THIS AGREEMENT, EACH LOAN PARTY, FOR ITSELF AND IN CONNECTION WITH ITS PROPERTIES, HEREBY EXPRESSLY AND IRREVOCABLY (A) ACCEPTS GENERALLY AND UNCONDITIONALLY THE EXCLUSIVE JURISDICTION AND VENUE OF SUCH COURTS (OTHER THAN WITH RESPECT

TO ACTIONS BY ANY AGENT IN RESPECT OF RIGHTS UNDER ANY SECURITY AGREEMENT GOVERNED BY A LAWS OTHER THAN THE LAWS OF THE STATE OF NEW YORK OR WITH RESPECT TO ANY COLLATERAL SUBJECT THERETO); (B) WAIVES (I) JURISDICTION AND VENUE OF COURTS IN ANY OTHER JURISDICTION IN WHICH IT MAY BE ENTITLED TO BRING SUIT BY REASON OF ITS PRESENT OR FUTURE DOMICILE OR OTHERWISE AND (II) ANY DEFENSE OF FORUM NON CONVENIENS; (C) AGREES THAT SERVICE OF ALL PROCESS IN ANY SUCH PROCEEDING IN ANY SUCH COURT MAY BE MADE BY REGISTERED OR CERTIFIED MAIL, RETURN RECEIPT REQUESTED, TO THE APPLICABLE LOAN PARTY AT ITS ADDRESS PROVIDED IN ACCORDANCE WITH SECTION 10.01; (D) AGREES THAT SERVICE AS PROVIDED IN CLAUSE (C) ABOVE IS SUFFICIENT TO CONFER PERSONAL JURISDICTION OVER THE APPLICABLE LOAN PARTY IN ANY SUCH PROCEEDING IN ANY SUCH COURT, AND OTHERWISE CONSTITUTES EFFECTIVE AND BINDING SERVICE IN EVERY RESPECT; AND (E) AGREES THAT THE AGENTS AND THE LENDERS RETAIN THE RIGHT TO SERVE PROCESS IN ANY OTHER MANNER PERMITTED BY LAW OR TO BRING PROCEEDINGS AGAINST ANY LOAN PARTY IN THE COURTS OF ANY OTHER JURISDICTION IN CONNECTION WITH THE EXERCISE OF ANY RIGHTS UNDER ANY SECURITY DOCUMENT OR THE ENFORCEMENT OF ANY JUDGMENT.

Section 10.16 **WAIVER OF JURY TRIAL, FEDERAL ILLEGALITY DEFENSE.**

EACH OF THE PARTIES HERETO HEREBY AGREES TO WAIVE, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ITS RESPECTIVE RIGHTS TO A JURY TRIAL OF ANY CLAIM OR CAUSE OF ACTION BASED UPON OR ARISING HEREUNDER OR UNDER ANY OF THE OTHER LOAN DOCUMENTS OR ANY DEALINGS BETWEEN THEM RELATING TO THE SUBJECT MATTER OF THIS LOAN TRANSACTION OR THE LENDER/BORROWER RELATIONSHIP THAT IS BEING ESTABLISHED. THE SCOPE OF THIS WAIVER IS INTENDED TO BE ALL-ENCOMPASSING OF ANY AND ALL DISPUTES THAT MAY BE FILED IN ANY COURT AND THAT RELATE TO THE SUBJECT MATTER OF THIS TRANSACTION, INCLUDING CONTRACT CLAIMS, TORT CLAIMS, BREACH OF DUTY CLAIMS AND ALL OTHER COMMON LAW AND STATUTORY CLAIMS. EACH PARTY HERETO ACKNOWLEDGES THAT THIS WAIVER IS A MATERIAL INDUCEMENT TO ENTER INTO A BUSINESS RELATIONSHIP, THAT EACH HAS ALREADY RELIED ON THIS WAIVER IN ENTERING INTO THIS AGREEMENT, AND THAT EACH WILL CONTINUE TO RELY ON THIS WAIVER IN ITS RELATED FUTURE DEALINGS. EACH PARTY HERETO FURTHER WARRANTS AND REPRESENTS THAT IT HAS REVIEWED THIS WAIVER WITH ITS LEGAL COUNSEL AND THAT IT KNOWINGLY AND VOLUNTARILY WAIVES ITS JURY TRIAL RIGHTS FOLLOWING CONSULTATION WITH LEGAL COUNSEL. THIS WAIVER IS IRREVOCABLE, MEANING THAT IT MAY NOT BE MODIFIED EITHER ORALLY OR IN WRITING (OTHER THAN BY A MUTUAL WRITTEN WAIVER SPECIFICALLY REFERRING TO THIS SECTION 10.16 AND EXECUTED BY EACH OF THE PARTIES HERETO), AND THIS WAIVER WILL APPLY TO ANY SUBSEQUENT AMENDMENTS, RENEWALS, SUPPLEMENTS OR MODIFICATIONS HERETO OR ANY OF THE OTHER LOAN DOCUMENTS OR TO ANY OTHER DOCUMENTS OR AGREEMENTS RELATING TO THE LOANS MADE HEREUNDER. IN THE EVENT OF LITIGATION, THIS AGREEMENT MAY BE FILED AS A WRITTEN CONSENT TO A TRIAL BY THE COURT.

THE CULTIVATION, PRODUCTION AND DISTRIBUTION OF MARIJUANA IS ILLEGAL UNDER FEDERAL LAW. EACH PARTY AGREES THAT THE INVALIDITY FOR PUBLIC POLICY REASONS AND/OR THE VIOLATION OF FEDERAL MARIJUANA LAWS OF THIS AGREEMENT OR ANY OTHER LOAN DOCUMENT IS NOT A VALID DEFENSE TO ANY DISPUTE OR CLAIM ARISING OUT OF THIS AGREEMENT OR ANY OTHER LOAN

DOCUMENT. EACH PARTY EXPRESSLY WAIVES THE RIGHT TO PRESENT ANY DEFENSE RELATED TO

THE FEDERAL ILLEGALITY OF MARIJUANA AND AGREES THAT SUCH DEFENSE SHALL NOT BE ASSERTED, AND WILL NOT APPLY, IN ANY DISPUTE OR CLAIM ARISING OUT OF THIS AGREEMENT OR ANY OTHER LOAN DOCUMENT.

Section 10.17 Confidentiality

Each Agent and each Lender shall hold all Information (as defined below) in accordance with such Agent's and such Lender's customary procedures for handling confidential information of such nature, it being understood and agreed by the Borrowers that, in any event, the Administrative Agent and each Lender may disclose such information to the Lenders and each Agent, and each Lender may make (i) disclosures of such information to Affiliates or Related Funds of such Lender or Agent and to their respective officers, directors, employees, representatives, agents, auditors and advisors (and to other Persons authorized by a Lender or Agent to organize, present or disseminate such information in connection with disclosures otherwise made in accordance with this Section 10.17), (ii) disclosures of such information reasonably required by (A) any pledgee referred to in Section 10.06(h), (B) any bona fide or potential assignee, transferee or participant in connection with the contemplated assignment, transfer or participation of any Loans or any participations therein who is not a Disqualified Institution (unless an Event of Default has occurred or is continuing), or (C) any direct or indirect investor or prospective investor in a Related Fund who is not Disqualified Institution (unless an Event of Default has occurred or is continuing); provided, that such pledgees, assignees, transferees, participants, counterparties, advisors and investors are advised of and, except in the case of advisors, agree to be bound by either the provisions of this Section 10.17 or other provisions at least as restrictive as this Section 10.17, (iii) disclosures in connection with the exercise of any remedies hereunder or under any other Loan Document and (iv) disclosures required or requested by any governmental agency or representative thereof or by the NAIC or pursuant to legal or judicial process; provided, that unless specifically prohibited by applicable Law or court order, each Lender and each Agent shall make reasonable efforts to notify the Borrowers of any request by any governmental agency or representative thereof (other than any such request in connection with any examination of the financial condition or other routine examination of such Lender by such governmental agency) for disclosure of any such Non-Public Information prior to disclosure of such Information. "Information" as used herein means any confidential information provided to any Agent, any Lender or any of their respective Affiliates or Related Funds by any Loan Party or any Affiliate thereof or any of their respective directors, officers, employees, advisors, agents or representatives pursuant to or in connection with this Agreement or any other Loan Document, but excludes any such information that presently is or hereafter becomes (1) publicly available other than as a result of a breach of this Section 10.17 or (2) available to or in the possession of any Lender, Agent or any of their respective Affiliates or Related Funds, as the case may be, from a source (other than any Loan Party or any Affiliate thereof or any of their respective directors, officers, employees, advisors, agents or representatives) not known by them to be subject to disclosure restrictions. In addition, each Agent, and each Lender may disclose the existence of this Agreement to market data collectors, similar services providers to the lending industry, and service providers to the Agents, and the Lenders in connection with the administration and management of this Agreement and the other Loan Documents, as well as in any tombstone or other advertising or marketing materials or, to the extent necessary or customary, for inclusion in league table rankings, in each case, without disclosing any financial or economic information. Notwithstanding anything to the contrary set forth herein, each party (and each of their respective employees, representatives or other agents) may disclose to any and all persons without limitation of any kind, the tax treatment and tax structure of the transactions contemplated by this Agreement and all materials of any kind (including opinions and other tax analyses) that are provided to any such party relating to such tax treatment and tax structure. However, any information relating to the tax treatment or tax structure shall remain subject to the confidentiality provisions hereof (and the foregoing sentence shall not apply) to the extent reasonably necessary to enable the parties hereto, their respective Affiliates, and their and their respective Affiliates' directors and employees to comply with applicable securities laws. For this purpose, "tax structure" means any facts relevant to the federal Income Tax

treatment of the transactions contemplated by this Agreement but does not include information relating to the identity of any of the parties hereto or any of their respective Affiliates.

Section 10.18 Usury Savings Clause

Notwithstanding any other provision herein, the aggregate interest rate charged with respect to any of the Obligations, including all charges or fees in connection therewith deemed in the nature of interest under applicable Law, shall not exceed the Highest Lawful Rate. If the rate of interest (determined without regard to the preceding sentence) under this Agreement at any time exceeds the Highest Lawful Rate, the outstanding amount of the Loans made hereunder shall bear interest at the Highest Lawful Rate until the total amount of interest due hereunder equals the amount of interest which would have been due hereunder if the stated rates of interest set forth in this Agreement had at all times been in effect. In addition, if when the Loans made hereunder are repaid in full the total interest due hereunder (taking into account the increase provided for above) is less than the total amount of interest which would have been due hereunder if the stated rates of interest set forth in this Agreement had at all times been in effect, then to the extent permitted by law, the Borrowers shall pay to the Administrative Agent an amount equal to the difference between the amount of interest paid and the amount of interest which would have been paid if the Highest Lawful Rate had at all times been in effect. Notwithstanding the foregoing, it is the intention of Lenders and the Borrowers to conform strictly to any applicable usury laws. Accordingly, if any Lender contracts for, charges, or receives any consideration which constitutes interest in excess of the Highest Lawful Rate, then any such excess shall be cancelled automatically and, if previously paid, shall at such Lender's option be applied to the outstanding amount of the Loans made hereunder or be refunded to the Borrowers.

Section 10.19 Counterparts

This Agreement may be executed in any number of counterparts (and by different parties hereto on different counterparts), each of which when so executed and delivered shall be deemed an original, but all such counterparts together shall constitute but one and the same instrument. Delivery of an executed counterpart of a signature page to this Agreement by facsimile or other electronic transmission will be effective as delivery of a manually executed counterpart thereof.

Section 10.20 Effectiveness; Entire Agreement; No Third Party Beneficiaries

This Agreement shall become effective upon the execution of a counterpart hereof by each of the parties hereto and receipt by Borrowers and the Administrative Agent of written notification of such execution and authorization of delivery thereof. This Agreement and the other Loan Documents represent the entire agreement of Holdings and its Restricted Subsidiaries, the Agents, and the Lenders with respect to the subject matter hereof and thereof, and there are no promises, undertakings, representations or warranties by any Agent or Lender relative to the subject matter hereof or thereof not expressly set forth or referred to herein or in the other Loan Documents. Nothing in this Agreement or in the other Loan Documents, express or implied, shall be construed to confer upon any Person (other than the parties hereto and thereto, their respective successors and assigns permitted hereunder and, to the extent expressly contemplated hereby, Affiliates of each of the Agents and Lenders, holders of participations in all or any part of a Lender's Commitments, Loans or in any other Obligations, and the Indemnitees) any rights, remedies, obligations, claims or liabilities under or by reason of this Agreement or the other Loan Documents. In the event of any conflict between the provisions of this Agreement and those of any other Loan Document, the provisions of this Agreement shall control; provided that the inclusion of supplemental rights or remedies in favor of any Agent or any Lender in any other Loan Document shall not be deemed a conflict with this Agreement.

Section 10.21 PATRIOT Act

Each Lender and the Administrative Agent (for itself and not on behalf of any Lender) hereby notifies each Loan Party that pursuant to the requirements of the PATRIOT Act, it is required to obtain, verify and record information that identifies each Loan Party, which information includes the name and address of each Loan Party and other information that shall allow such Lender or the Administrative Agent, as applicable, to identify such Loan Party in accordance with the PATRIOT Act.

Section 10.22 Electronic Execution of Assignments

The words "execution," "signed," "signature," and words of like import in any Assignment Agreement shall be deemed to include electronic signatures or the keeping of records in electronic form, each of which shall be of the same legal effect, validity or enforceability as a manually executed signature or the use of a paper-based recordkeeping system, as the case may be, to the extent and as provided for in any applicable Law, including the Federal Electronic Signatures in Global and National Commerce Act, the New York State Electronic Signatures and Records Act, or any other similar state laws based on the Uniform Electronic Transactions Act.

Section 10.23 No Fiduciary Duty

Each Agent, each Lender, and their respective Affiliates (collectively, solely for purposes of this paragraph, the "Lenders"), may have economic interests that conflict with those of the Borrowers, their stockholders and/or their Affiliates. The Borrowers agree that nothing in the Loan Documents or otherwise will be deemed to create an advisory, fiduciary or agency relationship or fiduciary or other implied duty between any Lender, on the one hand, and the Borrowers, their stockholders or their Affiliates, on the other. The Loan Parties acknowledge and agree that (i) the transactions contemplated by the Loan Documents (including the exercise of rights and remedies hereunder and thereunder) are arm's-length commercial transactions between the Lenders, on the one hand, and the Borrowers, on the other, and (ii) in connection therewith and with the process leading thereto, (x) no Lender has assumed an advisory or fiduciary responsibility in favor of the Borrowers, their stockholders or their Affiliates with respect to the transactions contemplated hereby (or the exercise of rights or remedies with respect thereto) or the process leading thereto (irrespective of whether any Lender has advised, is currently advising or will advise the Borrowers, their stockholders or their Affiliates on other matters) or any other obligation to the Borrowers except the obligations expressly set forth in the Loan Documents and (y) each Lender is acting solely as principal and not as the agent or fiduciary of the Borrowers, their management, stockholders, creditors or any other Person. The Borrowers acknowledge and agree that such Borrower has consulted its own legal and financial advisors to the extent it deemed appropriate and that it is responsible for making its own independent judgment with respect to such transactions and the process leading thereto. The Borrowers agree that it will not claim that any Lender has rendered advisory services of any nature or respect, or owes a fiduciary or similar duty to such Borrower, in connection with such transaction or the process leading thereto.

Section 10.24 Borrower Representative

Each Borrower hereby irrevocably appoints Ascend ILH as the borrowing agent and attorney-in-fact for all Borrowers (the "Borrower Representative"), which appointment shall remain in full force and effect unless and until the Administrative Agent shall have received prior written notice signed by each Borrower that such appointment has been revoked and that another Borrower has been appointed the Borrower Representative. Each Borrower hereby irrevocably appoints and authorizes the Borrower Representative (i) to provide the Administrative Agent with all notices with respect to the Loans obtained for the benefit of any Borrower and all other notices and instructions under this Agreement and (ii) to take

such action as the Borrower Representative deems appropriate on its behalf to obtain the Loans and to exercise such other powers as are incidental thereto to carry out the purposes of this Agreement.

[*Remainder of page intentionally left blank*]

IN WITNESS WHEREOF, the parties hereto have caused this Credit and Guaranty Agreement to be duly executed and delivered by their respective officers thereunto duly authorized as of the date first written above.

HOLDINGS:

ASCEND WELLNESS HOLDINGS, LLC

By: _____
Name: _____
Title: _____

BORROWERS:

ASCEND ILLINOIS HOLDINGS, LLC

By: _____
Name: _____
Title: _____

ASCEND ILLINOIS, LLC

By: _____
Name: _____
Title: _____

ASCEND ILLINOIS II, LLC

By: _____
Name: _____
Title: _____

REVOLUTION CANNABIS-BARRY, LLC

By: _____
Name: _____
Title: _____

SPRINGFIELD PARTNERS II, LLC

By: _____
Name: _____
Title: _____

HEALTHCENTRAL, LLC

By: _____
Name: _____
Title: _____

AWH FAIRVIEW, LLC

By: _____
Name: _____
Title: _____

AWH FAIRVIEW OPCO LLC

By: _____
Name: _____
Title: _____

ASCEND MASS, INC.

By: _____
Name: _____
Title: _____

ASCEND MASS, LLC

By: _____
Name: _____
Title: _____

MASSGROW, INC.

By: _____
Name: _____
Title: _____

MASSGROW LLC

By: _____
Name: _____
Title: _____

ASCEND ATHOL RE, LLC

By: _____
Name: _____
Title: _____

SOUTHCOAST APOTHECARY, LLC

By: _____
Name: _____
Title: _____

BLUE JAY RE, LLC

By: _____
Name: _____
Title: _____

MET REAL ESTATE, LLC

By: _____
Name: _____
Title: _____
Title:

ADMINISTRATIVE AGENT AND COLLATERAL AGENT:

SEVENTH AVENUE INVESTMENTS, LLC

By: _____
Name: _____
Title: _____

LENDERS:

_____
_____
_____

_____
_____

[***]

Schedule 1.01(a)-1

Schedule 1.01(b)-1

CONFIDENTIAL TREATMENT REQUESTED - REDACTED COPY

WAIVER AND FIRST AMENDMENT TO CREDIT AND GUARANTY AGREEMENT AND PLEDGE AND SECURITY AGREEMENT

THIS WAIVER AND FIRST AMENDMENT TO CREDIT AND GUARANTY AGREEMENT AND PLEDGE AND SECURITY AGREEMENT (this "Amendment") is made and entered into as of December 31, 2020, by and among Seventh Avenue Investments, LLC, a Delaware limited liability company ("SAI"), as Administrative Agent and Collateral Agent (the "Agent"), the Lenders identified on the signature pages hereof (together, the "Lenders"), and each Loan Party identified on the signature pages hereof (together, the "Loan Parties").

BACKGROUND

WHEREAS, the Agent, the Lenders and the Loan Parties are parties to (i) that certain Credit and Guaranty Agreement, dated as of October 15, 2020 (as now or hereafter amended, the "Credit Agreement"), and (ii) that certain Pledge and Security Agreement, dated as of October 15, 2020 (as now or hereafter amended, the "Pledge and Security Agreement"), pursuant to which the Lenders extended certain credit facilities to the Borrowers in an aggregate principal amount of up to $38,000,000;

WHEREAS, Ascend GI Borrower, LLC, a New Jersey limited liability company and wholly-owned subsidiary of Holdings, as borrower ("Ascend GI"), intends to enter into that certain Loan and Security Agreement (as amended, restated, supplemented or otherwise modified from time to time, the "Green Ivy Loan Agreement") among Ascend GI, Holdings (as Guarantor), the lenders party thereto from time to time (together, the "Green Ivy Lenders") and [***], as collateral agent (in such capacity, the "Green Ivy Collateral Agent"), pursuant to which (a) the Green Ivy Lenders will extend to Ascend GI term loans in an aggregate principal amount of $4,500,000 and (b) Ascend Wellness Holdings, LLC, a Delaware limited liability company ("Holdings"), will provide an unconditional and unlimited guaranty of the Obligations (as defined in the Green Ivy Loan Agreement; hereafter, collectively, the "Green Ivy Obligations");

WHEREAS, the Green Ivy Obligations will be secured by a continuing lien on and security interest in all right, title, and interest in and to the following (clauses (a) through (d) below, together, the "Green Ivy Released Assets"): (a) each of (i) that certain Limited Recourse Promissory Note issued by 174 Rochelle LLC, a New Jersey limited liability company ("New Jersey Mortgage Obligor") to Holdings (Holdings, together with any assignee, transferee and/or other holder of any New Jersey Mortgage Loan Document, "Green Ivy Pledgor"), dated as of October 23, 2020, in the amount of $4,500,000, (ii) that certain Mortgage, Security Agreement, Assignment of Leases and Rents and Fixture Filing, dated as of October 23, 2020, by New Jersey Mortgage Obligor in favor of Green Ivy Pledgor, (iii) that certain Lease Agreement, dated as of December 19, 2019, by and between New Jersey Mortgage Obligor and Ascend New Jersey, LLC, a New Jersey limited liability company, and each other instrument, agreement or other document executed in connection with, or relating to, any of the foregoing and all rights and remedies of Green Ivy Pledgor thereunder (together, the "New Jersey Mortgage Loan Documents"), all rights and remedies of Green Ivy Pledgor thereunder, including the right to collect the installments due thereon and the right, either in Green Ivy's Collateral Agent's own name or in the name of Green Ivy Pledgor, to take such legal or other action as Green Ivy Pledgor might have taken save for this

Certain identified information has been omitted from this exhibit because it is not material and would likely cause competitive harm to the registrant if publicly disclosed. [***] indicates that information has been omitted.

Agreement; (b) all Payment Intangibles and Accounts (each as defined under the UCC) related to the New Jersey Mortgage Loan Documents; (c) all substitutions, replacements, accessions, products and other Proceeds (as defined under the UCC) (including insurance proceeds, licenses, royalties, income, payments, claims, damages and proceeds of suit) of any or all of the foregoing and all collateral security, guarantees and other Supporting Obligations (as defined under the UCC) given with respect to any of the foregoing; (d) all books and records relating to any of the Green Ivy Released Assets, regardless of the medium in which any such information may be recorded; and (e) (i) all of the Equity Interests owned by Holdings, regardless of class or designation, in Ascend GI (collectively, the "Pledged Interests"), and all substitutions therefor and replacements thereof, all proceeds thereof and all rights relating thereto, including any certificates representing the Pledged Interests, the right to request, after the occurrence and during the continuation of an Event of Default under the Green Ivy Loan Agreement, that the Pledged Interests be registered in the name of Green Ivy Collateral Agent or any of its nominees, the right to receive any certificates representing any of the Pledged Interests and the right to require that same be delivered to Green Ivy Collateral Agent together with undated powers or assignments of investment securities with respect thereto, duly endorsed in blank by Holdings, all warrants, options, share appreciation rights and other rights, contractual or otherwise, in respect thereof and of all dividends, distributions of income, profits, surplus or other compensation by way of income or liquidating distributions, in cash or in kind, cash, instruments and other property from time to time received, receivable or otherwise distributed in respect of or in addition to, in substitution of, on account of or in exchange for any or all of the Pledged Interests, whether now owned or hereafter acquired by Holdings, (ii) all of Holdings's rights, powers and remedies under the organizational documents of Ascend GI, including all rights to payment of dividends and distributions, (iii) all books and records of Holdings relating to any of the foregoing in this clause (e), regardless of the medium in which any such information may be recorded relating to any of the above, and (iv) to the extent not otherwise included, substitutions, replacements, accessions, products and other Proceeds (as defined in the UCC) (including insurance proceeds, licenses, royalties, income, payments, claims, damages and proceeds of suit) of any or all of the foregoing and all collateral security, guarantees and other Supporting Obligations (as defined in the UCC) given with respect to any of the foregoing (all of the assets described in this clause (e), together, the "Green Ivy Ascend GI Equity");

WHEREAS, the Agent, the Lenders and the Loan Parties have agreed: (a) the Loan Parties will be permitted to pledge the Green Ivy Released Assets and the Green Ivy Ascend GI Equity to secure the guaranty by Holdings of the Green Ivy Obligations; (b) the Agent and the Lenders will release their Liens on the Green Ivy Released Assets; (c) Holdings will be permitted to transfer the Green Ivy Released Assets to Ascend GI; and (d) to amend certain terms and provisions contained in the Credit Agreement and the Pledge and Security Agreement in order to permit the foregoing, in each case subject to the terms and conditions set forth in this Amendment.

WHEREAS, the Loan Parties have previously advised Agent and the Lenders that certain Events of Default have occurred or are expected to occur under the Credit Agreement as specified on Annex A attached hereto (collectively, the "Designated Events of Default").

WHEREAS, the Loan Parties have requested that Agent and the Lenders agree to (i) waive the Designated Events of Default and (ii) amend the Credit Agreement, in each case, subject to the terms and conditions herein set forth.

WHEREAS, Agent and the Lenders party hereto agree to accommodate such requests to (i) waive the Designated Events of Default and (ii) amend the Credit Agreement, in each case, subject to the terms and conditions herein contained.

NOW, THEREFORE, in consideration of the promises and the agreements hereinafter set forth, and intending to be legally bound hereby, the parties hereto hereby agree as follows:

1. Capitalized Terms. Capitalized terms used herein but not otherwise defined shall have the meanings ascribed thereto in the Credit Agreement.

2. Amendments to Credit Agreement.

(a) Section 1.01 (Definitions) of the Credit Agreement is hereby amended by inserting the following new definitions in appropriate alphabetical order:

"Ascend GI" means Ascend GI Borrower, LLC, a New Jersey limited liability company.

"Ascend NJ" means, Ascend New Jersey, LLC, a New Jersey limited liability company.

"Green Ivy Guaranty" means that certain guaranty by Holdings of the Green Ivy Obligations under Section 11 of the Green Ivy Loan Agreement.

"Green Ivy Loan Agreement" means that certain Loan and Security Agreement, dated as of December 21, 2020, by and among Holdings, Ascend GI, the lenders party thereto from time to time and [***], as collateral agent, as amended, restated, supplemented or otherwise modified from time to time, pursuant to which Ascend GI will borrow term loans in an aggregate principal amount of $4,500,000.

"Green Ivy Loan Documents" means the Green Ivy Loan Agreement, and the other Loan Documents (as defined in the Green Ivy Loan Agreement).

"Green Ivy Released Assets" means (a) each of (i) that certain Limited Recourse Promissory Note issued by 174 Rochelle LLC, a New Jersey limited liability company ("New Jersey Mortgage Obligor") to Holdings (Holdings, together with any assignee, transferee and/or other holder of any New Jersey Mortgage Loan Document, "Green Ivy Pledgor"), dated as of October 23, 2020, in the amount of $4,500,000, (ii) that certain Mortgage, Security Agreement, Assignment of Leases and Rents and Fixture Filing, dated as of October 23, 2020, by New Jersey Mortgage Obligor in favor of Green Ivy Pledgor, (iii) that certain Lease Agreement, dated as of December 19, 2019, by and between New Jersey Mortgage Obligor and Ascend NJ, and each other instrument, agreement or other document executed in connection with, or relating to, any of the foregoing and all rights and remedies of Green Ivy Pledgor thereunder (together, the "New Jersey Mortgage Loan Documents"), all rights and remedies of Green Ivy Pledgor thereunder, including

the right to collect the installments due thereon and the right, either in Green Ivy's Collateral Agent's own name or in the name of Green Ivy Pledgor, to take such legal or other action as Green Ivy Pledgor might have taken save for this Agreement; (b) all Payment Intangibles and Accounts (each as defined under the UCC) related to the New Jersey Mortgage Loan Documents; (c) all substitutions, replacements, accessions, products and other Proceeds (as defined under the UCC) (including insurance proceeds, licenses, royalties, income, payments, claims, damages and proceeds of suit) of any or all of the foregoing and all collateral security, guarantees and other Supporting Obligations (as defined under the UCC) given with respect to any of the foregoing; and (d) all books and records relating to any of the Green Ivy Released Assets, regardless of the medium in which any such information may be recorded.

(b) Clause (k) of Section 6.01 (Indebtedness and Contingent Acquisition Consideration) of the Credit Agreement is hereby amended and restated in its entirety as follows:

(k) guaranties by Holdings of any Indebtedness and other obligations of any Excluded Subsidiary; provided that, other than the Green Ivy Guaranty provided by Holdings which is secured by a pledge of the Green Ivy Released Assets and the Green Ivy Ascend GI Equity, such guaranties shall not be secured by any assets of Holdings other than the Equity Interests owned by Holdings in such applicable Excluded Subsidiary;

(c) Clause (l) of Section 6.02 (Liens) of the Credit Agreement is hereby amended and restated in its entirety as follows:

(l) Liens securing Indebtedness permitted pursuant to Section 6.01(k); provided, that, other than Liens encumbering the Green Ivy Released Assets (until the Asset Sale contemplated pursuant to Section 6.08(l) hereof) and the Green Ivy Ascend GI Equity in connection with the Green Ivy Guaranty, any such Lien only encumber the Equity Interests owned by Holdings in such applicable Excluded Subsidiary;

(d) Section 6.03 (Negative Pledges) of the Credit Agreement is hereby amended and restated in its entirety as follows:

Section 6.03 Negative Pledges

Other than as provided in the Green Ivy Loan Documents, enter into any agreement (a) granting a Lien upon, or collaterally assigning any rights under, any lease or license agreements with respect to (i) any Facility or (ii) the Equity Interests of any Loan Party, or (b) prohibiting the creation or assumption of any Lien upon any of its properties or assets, whether now owned or hereafter acquired, to secure the Obligations, except with respect to (i) this Agreement and the other Loan Documents, (ii) specific assets or property encumbered to secure payment of particular Indebtedness or to be sold pursuant to an executed agreement with respect to a Permitted Asset Sale, (iii) restrictions by reason of customary

provisions restricting assignments, subletting or other transfers contained in leases, licenses and similar agreements entered into in the ordinary course of business (provided that such restrictions are limited to the assets or property secured by such Liens or the assets or property subject to such leases, licenses or similar agreements, as the case may be), (iv) restrictions and conditions imposed by any agreement governing Indebtedness entered into on or after the Closing Date and permitted by Section 6.01 which Indebtedness is secured by a Permitted Lien, but only if such restrictions and conditions apply only to the Person or Persons obligated under such Indebtedness and, if applicable, the property or assets securing such Indebtedness and (v) Liens imposed by a Governmental Authority under applicable Laws related to the Core Business.

(e) Section 6.06 (Investments) of the Credit Agreement is hereby amended and modified by (i) deleting the "and" after clause (o) of such Section, (ii) deleting the "." at the end of clause (p) of such Section and in place thereof inserting "; and" and (iii) adding the following clause (q) to the end of such Section:

(q) cash contributions by Holdings to Ascend GI in an amount not to exceed $[***] during the Fiscal Year ending December 31, 2021 and the Asset Sale contemplated pursuant to Section 6.08(l) hereof, if such Asset Sale constitutes an Investment. Nothing in the foregoing sentence shall be deemed to limit Holdings's obligations under the Green Ivy Guaranty.

(f) Section 6.08 (Fundamental Changes; Disposition of Assets; Acquisitions) of the Credit Agreement is hereby amended and modified by (i) deleting the "and" after clause (j) of such Section, (ii) deleting the "." at the end of clause (k) of such Section and in place thereof inserting "; and" and (iii) adding the following clause (l) to the end of such Section:

(l) Asset Sale by Holdings of the Green Ivy Released Assets to Ascend GI, including, without limitation, for nominal consideration, as an Investment in Ascend GI or otherwise.

(g) Clause (d) of Section 6.11 (Transactions with Shareholders and Affiliates) of the Credit Agreement is hereby amended and modified in its entirety as follows:

(d) transactions permitted by Sections 6.02(l), 6.04, 6.06 or 6.08,

3. Amendments to Pledge and Security Agreement.

(a) Section 2.2 (Certain Limited Exclusions) of the Pledge and Security Agreement is hereby amended and restated in its entirety as follows:

Section 2.2 Certain Limited Exclusions. Notwithstanding anything herein to the contrary, in no event shall the Collateral include or the security interest granted under Section 2.1 attach to the following (collectively, the "Excluded Property"): (a) the Green Ivy Released Assets and the Green Ivy Ascend GI Equity, (b) any intent-to-use trademark application prior to the filing of a "Statement of Use" or

"Amendment to Allege Use" with respect thereto, to the extent, if any, that, and solely during the period, if any, in which the grant of a security interest therein would impair the registrability of such applications or the validity or enforceability of registrations issuing from such applications, (c) any asset owned by any Grantor on the date hereof or hereafter acquired by a Grantor that is subject to a Lien securing purchase money obligations permitted to be incurred pursuant to the Credit Agreement, only to the extent and for so long as the contract or other agreement in which such Lien is granted (or the documentation providing for such purchase money obligation) prohibits the creation of any other Lien on such asset, (d) any assets subject to a Capital Lease Obligation permitted under the Credit Agreement to the extent the documents providing for such Capital Lease Obligation do not permit such assets to be pledged to the Collateral Agent, (e) pledges and security interest grants prohibited by applicable Law or which would require governmental (including regulatory) consent, approval, license or authorization, unless such consent, approval, license or authorization has been obtained or to the extent such prohibition would be rendered ineffective pursuant to Section 9-406, 9 407, 9-408 or 9-409 of the UCC (or any successor provision or provisions) of any relevant jurisdiction or any other applicable Law (including the Bankruptcy Code) or principles of equity, (f) any Equity Interests in any Excluded Subsidiary, including all dividends, distributions, cash, warrants, rights, options, instruments, securities and other property or proceeds from time to time received, receivable or otherwise distributed in respect of or in exchange for any or all Equity Interests of such Excluded Subsidiary, and (g) any assets with respect to which the Collateral Agent shall have determined in its sole discretion that the cost of obtaining a Lien in such assets is excessive in relation to the value of the security to be afforded thereby to the Secured Parties. Notwithstanding the foregoing, (i) the Collateral shall include any Proceeds, substitutions or replacements of any of the property described above (unless such Proceeds, substitutions or replacements would constitute property described in the prior sentence), (ii) the foregoing exclusions shall not apply to the extent that such exclusions, prohibitions, consents, requirements or violations are ineffective under applicable anti-assignment provisions of the UCC or other applicable Law, or (iii) the foregoing exclusions shall not apply with respect to clauses in the event of a termination or elimination of any such exclusion, prohibition, requirement for any consent or other requirement, or violation contained in such asset or in any applicable Law, to the extent sufficient to permit any such item to become Collateral. Upon the written request, written demand, or issuance of rules requiring approval of this Agreement by any Governmental Authority with jurisdiction over the Collateral, Collateral Agent will provide all information regarding this Agreement, the Collateral Agent and Lenders required by such Governmental Authority. To the extent applicable, the provisions of this Agreement are subject to all applicable Laws.

4. Limited Waiver. Effective as of the Effective Date (as defined below), subject to the terms and conditions set forth herein (including, but not limited to, the conditions contained in Section 6 hereof), Agent and the Lenders signatory hereto hereby waive the Designated Events of Default and any representations and warranties related thereto, and their respective right to take any action under the Credit Agreement or the other Loan Documents that they may otherwise have

had solely as a result of the occurrence of the Designated Events of Default. This waiver is a limited, one time waiver and shall only be relied upon and used for the specific purpose set forth herein and, except as expressly set forth herein, shall not be deemed to: (i) constitute a waiver of any Event of Default (other than the Designated Events of Default) or any other breach of the Credit Agreement or any of the other Loan Documents, whether now existing or hereafter arising, (ii) constitute a waiver of any right or remedy of Agent or any of the Lenders under the Loan Documents which does not arise as a result of the Designated Events of Default (all such rights and remedies being expressly reserved by Agent and the Lenders), or (iii) establish a custom or course of dealing among the parties hereto. This waiver shall not be deemed to constitute a consent of any other act, omission or any breach of the Credit Agreement or any of the other Loan Documents.

5. Representations and Warranties. Each of the Loan Parties hereby represents and warrants to Agent and the Lenders, as of the date hereof, that:

(a) each Loan Party is duly organized, validly existing and in good standing under the laws of its jurisdiction of organization, has all requisite power and authority to own and operate its properties, to carry on its Core Business as now conducted and as proposed to be conducted, and to enter into this Amendment and to carry out the transactions contemplated hereby

(b) each Loan Party is qualified to do business and in good standing in every jurisdiction where any portion of its assets are located and wherever necessary to carry out its business and operations, in each case except where the failure to do so would not be reasonably expected to have a Material Adverse Effect;

(c) the execution, delivery and performance of the Amendment has been duly authorized by all necessary action on the part of each Loan Party;

(d) each of the representations and warranties set forth herein and in the other Loan Documents shall be (x) true and correct in all material respects on and as of the date hereof to the same extent as though made on and as of that date, except to the extent such representations and warranties specifically relate to an earlier date, in which case such representations and warranties shall have been true and correct in all material respects on and as of such earlier date; provided, that to the extent any such representation or warranty is already qualified by materiality or material adverse effect, such representation or warranty shall be true and correct in all respects or (y) would not be true and correct due solely to the existence of the Designated Events of Default;

(e) this Amendment has been duly executed and delivered by each Loan Party that is a party thereto and is the legally valid and binding obligation of such Loan Party, enforceable against such Loan Party in accordance with its respective terms, except as may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws relating to or limiting creditors' rights generally or by equitable principles relating to enforceability; and

(f) immediately before and after giving effect to this Amendment, no Default or Event of Default (other than the Designated Events of Default) currently exists.

6. Conditions Precedent/Effectiveness Conditions. This Amendment shall be effective upon the satisfaction of each of the following conditions (all documents to be in form and substance reasonably satisfactory to the Lenders):

(a) the Lenders and the Agent shall have received this Amendment duly executed by each of the Loan Parties.

(b) the representations and warranties in Section 5 hereof being true and correct in all material respects on and as of the date hereof (without duplication of any materiality qualifier), except to the extent that any such representation or warranty relates to a specific earlier date, in which case such representation and warranty shall be true and correct in all material respects as of such earlier date (without duplication of any materiality qualifier).

(c) the Loan Parties shall have paid to Agent all fees, costs and expenses due and payable pursuant to Section 10.02 of the Credit Agreement.

(d) no Default or Event of Default shall have occurred and be continuing on the date hereof (other than the Designated Events of Default).

(e) the Lenders and the Agent shall have received all other agreements, instruments and documents reasonably requested thereby to effectuate and implement the terms hereof.

The date on which all of the conditions set forth in this Section 6 have been satisfied is referred to herein as the "Effective Date."

7. Post-Closing Obligations. In addition to all other terms, conditions and provisions set forth in this Amendment, including the conditions set forth in Section 6 hereof, no later than ten (10) Business Days after the Effective Date (as such date may be extended in Agent's sole discretion), the Loan Parties shall have delivered to Agent the insurance certificates (including certificate of liability and evidence of commercial property certificates) and endorsements evidencing compliance of insurance standards required by Section 5.05 of the Credit Agreement.

8. Reaffirmation; Release. Each Loan Party, as debtor, grantor, pledgor, guarantor, assignor, or in any other similar capacity in which such Person grants liens or security interests in its property or otherwise acts as accommodation party or guarantor, as the case may be, in each case, pursuant to any Loan Document, hereby (i) ratifies and reaffirms all of its payment and performance obligations, contingent or otherwise, under the Credit Agreement and each other Loan Document to which it is a party (after giving effect hereto) and (ii) to the extent such Person granted liens on or security interests in any of its property pursuant to any Security Documents as security for or otherwise guaranteed the Obligations under or with respect to the Loan Documents, ratifies and reaffirms such guarantee and grant of security interests and liens and confirms and agrees that such security interests and liens hereafter secure all of the Obligations as amended hereby. IN CONSIDERATION OF THE AGREEMENTS OF AGENT AND THE LENDERS CONTAINED IN THIS AGREEMENT, EACH LOAN PARTY, JOINTLY AND SEVERALLY, HEREBY IRREVOCABLY RELEASES AND FOREVER DISCHARGES AGENT, THE LENDERS AND THEIR RESPECTIVE AFFILIATES, SUBSIDIARIES, SUCCESSORS,

ASSIGNS, PARTICIPANTS, DIRECTORS, OFFICERS, EMPLOYEES AND AGENTS (EACH, A "RELEASED PERSON") OF AND FROM ALL DAMAGES, LOSSES, CLAIMS, DEMANDS, LIABILITIES, OBLIGATIONS, ACTIONS AND CAUSES OF ACTION WHATSOEVER WHICH SUCH LOAN PARTY OR ANY OF ITS AFFILIATES MAY NOW HAVE OR CLAIM TO HAVE AGAINST AGENT, THE LENDERS (OR ANY OF THEM) OR ANY OTHER RELEASED PERSON ON ACCOUNT OF OR IN ANY WAY CONCERNING, ARISING OUT OF OR FOUNDED UPON THE CREDIT AGREEMENT, THE OTHER LOAN DOCUMENTS AND/OR THE TRANSACTIONS CONTEMPLATED OR OTHERWISE EVIDENCED THEREBY, AND OF EVERY NATURE AND EXTENT WHATSOEVER, IN EACH CASE TO THE EXTENT (Y) ARISING ON OR PRIOR TO THE DATE HEREOF OR (Z) ARISING OUT OF, OR RELATING TO, ACTIONS, DEALINGS OR MATTERS OCCURRING ON OR PRIOR TO THE DATE HEREOF, BUT IN ALL CASES EXCLUDING ANY SUCH DAMAGES, LOSSES, CLAIMS, DEMANDS, LIABILITIES, OBLIGATIONS, ACTIONS AND CAUSES OF ACTION TO THE EXTENT ARISING FROM THE GROSS NEGLIGENCE OR WILLFUL MISCONDUCT OF AGENT OR ANY LENDER, IN EACH CASE AS DETERMINED BY A COURT OF COMPETENT JURISDICTION IN A FINAL AND NON-APPEALABLE JUDGMENT.

9. No Waiver. Except as expressly set forth herein, each Loan Party acknowledges that nothing contained herein is, or shall be construed to be, a waiver or release by Agent or the Lenders of any right, claim or cause of action. Except as expressly set forth herein, Agent and the Lenders expressly reserve all rights, remedies, claims and causes of action against Borrowers and the other Loan Parties.

10. Costs and Expenses. Each Loan Party hereby ratifies and reaffirms its cost and expense reimbursement obligations under Section 10.02 of the Credit Agreement.

11. Counterparts. This Agreement may be executed in any number of counterparts and by the different parties hereto on separate counterparts and each such counterpart shall be deemed to be an original, but all such counterparts shall together constitute but one and the same Agreement. Receipt by telecopy or electronic mail transmission of any executed signature page to this Agreement shall constitute effective delivery of such signature page. This Agreement to the extent signed and delivered by means of a facsimile machine or other electronic transmission (including "pdf"), shall be treated in all manner and respects and for all purposes as an original agreement or amendment and shall be considered to have the same binding legal effect as if it were the original signed version thereof delivered in person. No party hereto shall raise the use of a facsimile machine or other electronic transmission to deliver a signature or the fact that any signature or agreement or amendment was transmitted or communicated through the use of a facsimile machine or other electronic transmission as a defense to the formation or enforceability of a contract and each such party forever waives any such defense.

12. Further Assurances. Each Loan Party hereby agrees from time to time, as and when reasonably requested by Agent, to execute and deliver or cause to be executed and delivered, all such documents, instruments and agreements and to take or cause to be taken such further or other action as Agent may reasonably deem necessary in order to carry out the intent and purposes of this Agreement.

13. Severability. The illegality or unenforceability of any provision of this Agreement or any instrument or agreement required hereunder shall not in any way affect or impair the legality or enforceability of the remaining provisions of this Agreement or any instrument or agreement required hereunder.

14. Captions. Captions used in this Agreement are for convenience only and shall not affect the construction of this Agreement.

15. Entire Agreement; Loan Document. Except to the extent specifically set forth herein, Agent and the Lenders reserve and preserve all rights and remedies under the Credit Agreement and the other Loan Documents. The Credit Agreement, as amended hereby, together with all other Loan Documents, embodies the entire agreement and understanding among the parties hereto and supersedes all prior or contemporaneous agreements and understandings of such Persons, verbal or written, relating to the subject matter hereof and thereof. This Agreement shall constitute a Loan Document.

16. GOVERNING LAW; FORUM SELECTION; CONSENT TO JURISDICTION. THIS AGREEMENT SHALL BE A CONTRACT MADE UNDER AND GOVERNED BY THE INTERNAL LAWS OF THE STATE OF NEW YORK APPLICABLE TO CONTRACTS MADE AND TO BE PERFORMED ENTIRELY WITHIN SUCH STATE, WITHOUT REGARD TO CONFLICT OF LAWS PRINCIPLES THAT WOULD REQUIRE THE APPLICATION OF THE LAWS OF ANY STATE OTHER THAN THE STATE OF NEW YORK. **SECTIONS 10.15, AND 10.16 OF THE CREDIT AGREEMENT ARE HEREBY INCORPORATED BY REFERENCE INTO THIS AGREEMENT AND SHALL APPLY HERETO.**

17. Miscellaneous. No rights are intended to be created hereunder for the benefit of any third party creditor, or incidental beneficiary; provided, however, that the parties hereto acknowledge and agree that the Green Ivy Lenders and the Green Ivy Collateral Agent are relying on the amendments and other agreements set forth herein in connection with their respective execution and delivery of the Green Ivy Loan Agreement and the other Green Ivy Loan Documents and the making of the loans under the Green Ivy Loan Agreement.

[Signature Page Follows]

IN WITNESS WHERE OF, the parties hereto have caused this Waiver and First Amendment to Credit and Guaranty Agreement and Pledge and Security Agreement to be duly executed and delivered as of the date first above written.

LOAN PARTIES:

ASCEND WELLNESS HOLDINGS, LLC

By: AGP Partners, LLC, its Managing Member

By: Brook Farm LLC, its Managing Member

By: /s/ Abner Kurtin
Abner Kurtin, Managing Member

ASCEND ILLINOIS HOLDINGS, LLC

By: /s/ Abner Kurtin
Abner Kurtin, Manager

ASCEND ILLINOIS, LLC

By: /s/ Abner Kurtin
Abner Kurtin, Managing Member

ASCEND MASS, LLC

By: _____
Frank Perullo, Manager

MASSGROW, LLC

By: _____
Frank Perullo, Manager

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ASCEND WELLNESS HOLDINGS, LLC

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By: _____
Abner Kurtin, Managing Member

ASCEND ILLINOIS HOLDINGS, LLC

By: _____
Abner Kurtin, Manager

ASCEND ILLINOIS, LLC

By: _____
Abner Kurtin, Managing Member

ASCEND MASS, LLC

By: /s/ Frank Perullo
Frank Perullo, Manager

MASSGROW, LLC

By: /s/ Frank Perullo
Frank Perullo, Manager

SOUTHCOAST APOTHECARY, LLC

By: /s/ Frank Perullo
Frank Perullo, Manager

ASCEND ATHOL RE LLC

By: /s/ Frank Perullo
Frank Perullo, Manager

BLUE JAY RE, LLC

By: /s/ Frank Perullo
Frank Perullo, Manager

MET REAL ESTATE, LLC

By: /s/ Frank Perullo
Frank Perullo, Manager

MASSGROW, INC

By: _____
Abner Kurtin, Manager

ASCEND MASS, INC.

By: _____
Abner Kurtin, Manager

ASCEND ILLINOIS II, LLC

By: _____
Abner Kurtin, Manager

SOUTHCOAST APOTHECARY, LLC

By: _____
Frank Perullo, Manager

ASCEND ATHOL RE LLC

By: _____
Frank Perullo, Manager

BLUE JAY RE, LLC

By: _____
Frank Perullo, Manager

MET REAL ESTATE, LLC

By: _____
Frank Perullo, Manager

MASSGROW, INC

By: /s/ Abner Kurtin
Abner Kurtin, President

ASCEND MASS, INC.

By: /s/ Abner Kurtin
Abner Kurtin, President

ASCEND ILLINOIS II, LLC

By: /s/ Abner Kurtin
Abner Kurtin, Manager

AWH FAIRVIEW, LLC

By: /s/ Abner Kurtin
Abner Kurtin, Manager

REVOLUTION CANNABIS-BARRY, LLC

By: /s/ Abner Kurtin
Abner Kurtin, Manager

SPRINGFIELD PARTNERS II, LLC

By: /s/ Abner Kurtin
Abner Kurtin, Manager

AWH FAIRVIEW OPCO, LLC

By: /s/ Abner Kurtin
Abner Kurtin, Manager

HEALTHCENTRAL, LLC

By: /s/ Abner Kurtin
Abner Kurtin, Manager

AGENT:

SEVENTH AVENUE INVESTMENTS, LLC

By: /s/ Samuel Brill
Name: Samuel Brill
Title: President and Chief Investment Officer

LENDERS: [***]

AGENT:

SEVENTH AVENUE INVESTMENTS, LLC

By: _____

Name: Samuel Brill

Title: President and Chief Investment Officer

LENDERS: [***]

_____

_____

_____

_____

AGENT:

SEVENTH AVENUE INVESTMENTS, LLC

By: _____

Name: Samuel Brill

Title: President and Chief Investment Officer

LENDERS: [***]

_____

_____

_____

_____

ANNEX A

Designated Events of Default

1. Events of Default have occurred pursuant to Section 8.01(c) of the Credit Agreement as a result of the Loan Parties' entry into the New Jersey Mortgage Loan Documents without pledging such documents as collateral pursuant to the Pledge and Security Agreement.

CONFIDENTIAL TREATMENT REQUESTED - REDACTED COPY

FINANCING AGREEMENT

Dated as of October 29, 2020,

by and among

ASCEND NEW JERSEY, LLC,
as the Borrower,

AWH NJ HOLDCO LLC,
as Parent,

AND EACH SUBSIDIARY OF PARENT
LISTED AS A GUARANTOR ON THE SIGNATURE PAGES HERETO,
as Guarantors,

THE LENDERS FROM TIME TO TIME PARTY HERETO,
as Lenders,

[***],
as Collateral Agent,

and

[***],
as Administrative Agent

Certain identified information has been omitted from this exhibit because it is not material and would likely cause competitive harm to the registrant if publicly disclosed. [***] indicates that information has been omitted.

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SCHEDULE AND EXHIBITS

FINANCING AGREEMENT

Financing Agreement, dated as of October 29, 2020, by and among Ascend New Jersey, LLC, a New Jersey limited liability company (the "Borrower"), AWH NJ Holdco LLC, a New Jersey limited liability company (the "Parent"), each subsidiary of the Parent listed as a "Guarantor" on the signature pages hereto (together with the Parent and each other Person that executes a joinder agreement and becomes a "Guarantor" hereunder, each a "Guarantor" and collectively, the "Guarantors"), the lenders from time to time party hereto (each a "Lender" and collectively, the "Lenders"), [REDACTED], as collateral agent for the Lenders (in such capacity, together with its successors and assigns in such capacity, the "Collateral Agent"), and [REDACTED], as administrative agent for the Lenders (in such capacity, together with its successors and assigns in such capacity, the "Administrative Agent" and together with the Collateral Agent, each an "Agent" and collectively, the "Agents").

RECITALS

The Borrower has asked the Lenders to extend credit to the Borrower consisting of a term loan in the aggregate principal amount of $18,000,000. The proceeds of the term loan shall be used to (a) make a cash payment from the Borrower to Holdings in an amount equal to a portion of the consideration paid by Holdings at the closing under [REDACTED] (as defined below), (b) pay fees and expenses in connection with the transactions contemplated hereby and (c) fund working capital of the Borrower and renovations and expansions of its cultivation facilities and dispensaries. The Lenders are severally, and not jointly, willing to extend such credit to the Borrower subject to the terms and conditions hereinafter set forth.

In consideration of the premises and the covenants and agreements contained herein, the parties hereto agree as follows:

ARTICLE I

DEFINITIONS; CERTAIN TERMS

Section 1.01 Definitions. As used in this Agreement, the following terms shall have the respective meanings indicated below:

"Account Debtor" means, with respect to any Person, each debtor, customer or obligor in any way obligated on or in connection with any Account of such Person.

"Acquisition" means the acquisition (whether by means of a merger, consolidation or otherwise) of all of the Equity Interests of any Person or all or substantially all of the assets of (or any division or business line of) any Person.

"Action" has the meaning specified therefor in Section 12.12.

"Administrative Agent" has the meaning specified therefor in the preamble hereto.

"Administrative Agent's Account" means an account at a bank designated by the Administrative Agent from time to time as the account into which the Loan Parties shall make all payments to the Administrative Agent for the benefit of the Agents and the Lenders under this Agreement and the other Loan Documents.

"Affiliate" means, with respect to any Person, any other Person that directly or indirectly through one or more intermediaries, controls, is controlled by, or is under common control with, such Person. For purposes of this definition, "control" of a Person means the power, directly or indirectly, either to (a) vote 15% or more of the Equity Interests having ordinary voting power for the election of members of the Board of Directors of such Person or (b) direct or cause the direction of the management and policies of such Person whether by contract or otherwise. Notwithstanding anything herein to the contrary, in no event shall any Agent or any Lender be considered an "Affiliate" of any Loan Party.

"Agent" and "Agents" have the respective meanings specified therefor in the preamble hereto.

"Agreement" means this Financing Agreement, including all amendments, modifications and supplements and any exhibits or schedules to any of the foregoing, and shall refer to the Agreement as the same may be in effect at the time such reference becomes operative.

"Anti-Corruption Laws" means all Requirements of Law concerning or relating to bribery or corruption, including, without limitation, the United States Foreign Corrupt Practices Act of 1977, as amended, the UK Bribery Act of 2010, and the anti-bribery and anti-corruption laws and regulations of those jurisdictions in which the Loan Parties do business.

"Anti-Money Laundering Laws" means all Requirements of Law concerning or relating to terrorism or money laundering, including, without limitation, the Money Laundering Control Act of 1986 (18 U.S.C. §§ 1956-1957), the USA PATRIOT Act and the Currency and Foreign Transactions Reporting Act (also known as the "Bank Secrecy Act," 31 U.S.C. §§ 5311-5332 and 12 U.S.C. §§ 1818(s), 1820(b) and §§ 1951-1959) and the rules and regulations thereunder, and any law prohibiting or directed against the financing or support of terrorist activities (*e.g.*, 18 U.S.C. §§ 2339A and 2339B).

"Applicable Premium" means, as of the date of the occurrence of any Applicable Premium Trigger Event on or before the first anniversary of the Effective Date, an amount equal to the aggregate amount of interest (including interest payable in cash, in kind or deferred) which would have otherwise been payable on the amount of the principal prepayment (or deemed prepayment in the case of an acceleration of the Term Loan) from the date of prepayment until the first anniversary of the Effective Date.

"Applicable Premium Trigger Event" means

(a) any payment by any Loan Party of all, or any part, of the principal balance of any Term Loan for any reason (including, without limitation, any optional prepayment or mandatory prepayment) whether before or after (i) the occurrence of an Event of Default, or (ii) the commencement of any Insolvency Proceeding, and notwithstanding any acceleration (for any reason) of the Obligations;

(b) the acceleration of the Obligations for any reason, including, without limitation, acceleration in accordance with Section 9.01, including as a result of the commencement of an Insolvency Proceeding;

(c) the satisfaction, release, payment, restructuring, reorganization, replacement, reinstatement, defeasance or compromise of any of the Obligations in any Insolvency Proceeding, foreclosure (whether by power of judicial proceeding or otherwise) or deed in lieu of foreclosure or the making of a distribution of any kind in any Insolvency Proceeding to the Administrative Agent, for the account of the Lenders in full or partial satisfaction of the Obligations; or

(d) the termination of this Agreement for any reason.

"Assignment and Acceptance" means an assignment and acceptance entered into by an assigning Lender and an assignee, and accepted by the Collateral Agent, in accordance with Section 12.07 hereof and substantially in the form of Exhibit B hereto or such other form acceptable to the Collateral Agent.

"Authorized Officer" means, with respect to any Person, the chief executive officer, chief operating officer, chief strategy officer, chief financial officer, treasurer or other financial officer performing similar functions or president of such Person.

"Bankruptcy Code" means Title 11 of the United States Code, as amended from time to time and any successor statute or any similar federal or state law for the relief of debtors.

"Board" means the Board of Governors of the Federal Reserve System of the United States (or any successor).

"Board of Directors" means with respect to (a) any corporation, the board of directors of the corporation or any committee thereof duly authorized to act on behalf of such board, (b) a partnership, the board of directors of the general partner of the partnership, (c) a limited liability company, the managing member or members or any controlling committee or board of directors of such company or the sole member or the managing member thereof, and (d) any other Person, the board or committee of such Person serving a similar function.

"Borrower" has the meaning specified therefor in the preamble hereto.

"Business Day" means for all purposes any day other than a Saturday, Sunday or other day on which commercial banks in New York City are authorized or required to close.

"Capital Expenditures" means, with respect to any Person for any period, the sum of (a) the aggregate of all expenditures by such Person and its Subsidiaries during such period that in accordance with GAAP are or should be included in "property, plant and equipment" or in a similar fixed asset account on its balance sheet, whether such expenditures are paid in cash or financed, including all Capitalized Lease Obligations, obligations under synthetic leases and capitalized software costs that are paid or due and payable during such period and (b) to the extent not covered by clause (a) above, the aggregate of all expenditures by such Person and its Subsidiaries during such period to acquire by purchase or otherwise the business or fixed assets of, or the Equity Interests of, any other Person; provided, that the term "Capital Expenditures" shall not include any such expenditures which constitute (i) expenditures by a Loan Party made in connection with the replacement, substitution or restoration of such Loan Party's assets pursuant to Section 2.05(c)(vi) from the Net Cash Proceeds of Dispositions and Extraordinary Receipts consisting of insurance proceeds or condemnation awards, (ii) expenditures that are accounted for as capital expenditures of such Person and that actually are paid for by a third party (excluding any Loan Party) and for which no Loan Party has provided or is required to provide or incur, directly or indirectly, any consideration or obligation to such third party or any other Person (whether before, during or after such period), and (iii) the purchase price of equipment that is purchased substantially contemporaneously with the trade in of existing equipment to the extent that the gross amount of such purchase price is reduced by the credit granted by the seller of such equipment for the equipment being traded in at such time.

"Cannabis Activities" means those activities that include, but are not limited to, (a) the acquisition, cultivation, manufacture, extraction, testing, possession, sale (at retail or wholesale), dispensing, donation, distribution, transportation, packaging, labeling or disposing of Marijuana and (b) activities by which a Person receives, holds, transfers (in exchange for value, by gift or otherwise), deposits or distributes monetary proceeds from the sale of Marijuana.

"Capex Contribution" mean cash capital contributions received by the Borrower from Holdings pursuant to Section 5.01(f)(ii) and Section 7.02(t).

"Capitalized Lease" means, with respect to any Person, any lease of (or other arrangement conveying the right to use) real or personal property by such Person as lessee that is required under GAAP to be capitalized on the balance sheet of such Person.

"Capitalized Lease Obligations" means, with respect to any Person, obligations of such Person and its Subsidiaries under Capitalized Leases, and, for purposes hereof, the amount of any such obligation shall be the capitalized amount thereof determined in accordance with GAAP.

"Cash Equivalents" means (a) marketable direct obligations issued or unconditionally guaranteed by the United States Government or issued by any agency thereof and backed by the full faith and credit of the United States, in each case, maturing within one year from the date of acquisition thereof; (b) commercial paper, maturing not more than one year after the date of issue rated P 1 by Moody's or A 1 by Standard & Poor's; (c) certificates of deposit maturing not more than one year after the date of issue, issued by commercial banking institutions and money market or demand deposit accounts maintained at commercial banking institutions, each of which is a member of the Federal Reserve System and has a combined capital and surplus and undivided profits of not less than $500,000,000; (d) repurchase agreements having maturities of not more than 90 days from the date of acquisition which are entered into with major money center banks included in the commercial banking institutions described in clause (c) above and which are secured by readily marketable direct obligations of the United States Government or any agency thereof; (e) money market accounts maintained with mutual funds having assets in excess of $2,500,000,000, which assets are primarily comprised of Cash Equivalents described in another clause of this definition; and (f) marketable tax exempt securities rated A or higher by Moody's or A+ or higher by Standard & Poor's, in each case, maturing within one year from the date of acquisition thereof.

"Cash Management Accounts" means the bank accounts of each Loan Party maintained at one or more Cash Management Banks listed on Schedule 8.01.

"Cash Management Bank" has the meaning specified therefor in Section 8.01(a).

"Change in Law" means the occurrence, after the date of this Agreement, of any of the following: (a) the adoption or taking effect of any law, rule, regulation, judicial ruling, judgment or treaty, (b) any change in any law, rule, regulation or treaty or in the administration, interpretation, implementation or application thereof by any Governmental Authority or (c) the making or issuance of any request, rule, guideline or directive (whether or not having the force of law) by any Governmental Authority; provided that notwithstanding anything herein to the contrary, (i) the Dodd-Frank Wall Street Reform and Consumer Protection Act and all requests, rules, guidelines or directives thereunder or issued in connection therewith and (ii) all requests, rules, guidelines or directives concerning capital adequacy promulgated by the Bank for International Settlements, the Basel Committee on Banking Supervision (or any successor or similar authority) or the United States or foreign regulatory authorities shall, in each case, be deemed to be a "Change in Law", regardless of the date enacted, adopted or issued.

"Change of Control" means each occurrence of any of the following:

EACTED]

"Closing Date Distribution" means the payment by the Borrower to Holdings from the proceeds of the Loans of cash equal to $[***] as reimbursement of the payment by Holdings of a portion of the consideration under [REDACTED].

"Collateral" means all of the property and assets and all interests therein and proceeds thereof now owned or hereafter acquired by any Person upon which a Lien is granted or purported to be granted by such Person as security for all or any part of the Obligations.

"Collateral Agent" has the meaning specified therefor in the preamble hereto. "Collateral Agent Advances" has the meaning specified therefor in Section 10.08(a).

"Collections" means all cash, checks, notes, instruments, and other items of payment (including insurance proceeds, proceeds of cash sales, rental proceeds, and tax refunds).

"Commitments" means, with respect to each Lender, such Lender's Term Loan Commitment.

"Commodity Exchange Act" means the Commodity Exchange Act (7 U.S.C. § 1 et seq.), as amended from time to time, and any successor statute.

"Compliance Certificate" means a Compliance Certificate, substantially in the form of Exhibit D, duly executed by an Authorized Officer of the Parent.

"Consolidated EBITDA" means, with respect to any Person for any period:

(a) the Consolidated Net Income of such Person for such

period, plus

(b) without duplication, the sum of the following amounts for such period to the extent deducted in the calculation of Consolidated Net Income for such period:

(i) any provision for United States federal income taxes or other taxes measured by net income,

(ii) Consolidated Net Interest Expense,

(iii) any non-cash loss from extraordinary items,

(iv) any depreciation and amortization expense,

(v) any aggregate net loss on the Disposition of property (other than accounts and Inventory) outside the ordinary course of business,

(vi) reasonable transaction costs and expenses payable within four months of the Closing Date with respect to this Agreement and [REDACTED], and

(vii) any other non-cash expenditure, charge or loss for such period (other than any non-cash expenditure, charge or loss relating to write-offs, write-downs or reserves with respect to accounts and Inventory),

minus

(c) without duplication, the sum of the following amounts for such period to the extent included in the calculation of such Consolidated Net Income for such period:

(i) any credit for United States federal income taxes or other taxes measured by net income,

(ii) any non-cash gain from extraordinary items,

(iii) any aggregate net gain from the Disposition of property (other than accounts and Inventory) outside the ordinary course of business, and

(iv) any other non-cash gain, including any reversal of a charge referred to in clause (b)(vi) above by reason of a decrease in the value of any Equity Interest;

in each case, determined on a consolidated basis in accordance with GAAP.

"Consolidated Net Income" means, with respect to any Person, for any period, the consolidated net income (or loss) of such Person and its Subsidiaries for such period; provided, however, that the following shall be excluded: (a) the net income of any other Person in which such Person or one of its Subsidiaries has a joint interest with a third-party (which interest does not cause the net income of such other Person to be consolidated into the net income of such Person), except to the extent of the amount of dividends or distributions paid to such Person or Subsidiary, (b) the net income of any Subsidiary of such Person that is, on the last day of such period, subject to any restriction or limitation on the payment of dividends or the making of other distributions, to the extent of such restriction or limitation, and (c) the net income of any other Person arising prior to such other Person becoming a Subsidiary of such Person or merging or consolidating into such Person or its Subsidiaries.

"Consolidated Net Interest Expense" means, with respect to any Person for any period, (a) gross interest expense of such Person and its Subsidiaries for such period determined on a consolidated basis and in accordance with GAAP (including, without limitation, interest expense paid to Affiliates of such Person), less (b) the sum of (i) interest income for such period and (ii) gains for such period on Hedging Agreements (to the extent not included in interest income above and to the extent not deducted in the calculation of gross interest expense), plus (c) the sum of (i) losses for such period on Hedging Agreements (to the extent not included in gross interest expense) and (ii) the upfront costs or fees for such period associated with Hedging Agreements (to the extent not included in gross interest expense), in each case, determined on a consolidated basis and in accordance with GAAP.

"Contingent Indemnity Obligations" means any Obligation constituting a contingent, unliquidated indemnification obligation of any Loan Party, in each case, to the extent (a) such obligation has not accrued and is not yet due and payable and (b) no claim has been made or is reasonably anticipated to be made with respect thereto.

"Contingent Obligation" means, with respect to any Person, any obligation of such Person guaranteeing or intending to guarantee any Indebtedness, leases, dividends or other obligations ("primary obligations") of any other Person (the "primary obligor") in any manner, whether directly or indirectly, including, without limitation, (a) the direct or indirect guaranty, endorsement (other than for collection or deposit in the ordinary course of business), co-making, discounting with recourse or sale with recourse by such Person of the obligation of a primary obligor, (b) the obligation to make take-or-pay or similar payments, if required, regardless of nonperformance by any other party or parties to an agreement, and (c) any obligation of such Person, whether or not contingent, (i) to purchase any such primary obligation or any property constituting direct or indirect security therefor, (ii) to advance or supply funds (A) for the purchase or payment of any such primary obligation or (B) to maintain working capital or equity capital of the primary obligor or otherwise to maintain the net worth or solvency of the primary obligor, (iii) to purchase property, assets, securities or services primarily for the purpose of assuring the owner of any such primary obligation of the ability of the primary obligor to make payment of such primary obligation or (iv) otherwise to assure or hold harmless the holder of such primary obligation against loss in respect thereof; provided, however, that the term "Contingent Obligation" shall not include any product warranties extended in the ordinary course of business or endorsements of instruments in the ordinary course of business. The amount of any Contingent Obligation shall be deemed to be an amount equal to the stated or determinable amount of the primary obligation with respect to which such Contingent Obligation is made (or, if less, the maximum amount of such primary obligation for which such Person may be liable pursuant to the terms of the instrument evidencing such Contingent Obligation) or, if not stated or determinable, the maximum reasonably anticipated liability with respect thereto (assuming such Person is required to perform thereunder), as determined by such Person in good faith.

"Contractual Obligation" means, as to any Person, any provision of any security issued by such Person or of any written agreement, instrument or other undertaking to which such Person is a party or by which it or any of its property is bound.

"Control Agreement" means, with respect to any deposit account, any securities account, commodity account, securities entitlement or commodity contract, an agreement, in form and substance reasonably satisfactory to the Collateral Agent, among the Collateral Agent, the financial institution or other Person at which such account is maintained or with which such entitlement or contract is carried and the Loan Party maintaining such account, effective to grant "control" (as defined under the applicable UCC) over such account to the Collateral Agent.

"Controlled Investment Affiliate" means, as to any Person, any other Person that (a) directly or indirectly, is in control of, is controlled by, or is under common control with, such Person and

(b) is organized by such Person primarily for the purpose of making equity or debt investments in one or more companies. For purposes of this definition, "control" of a Person means the power, directly or indirectly, to direct or cause the direction of the management and policies of such Person whether by contract or otherwise.

"Controlled Substances Act" means Title II of the United States Comprehensive Drug Abuse Prevention and Control Act of 1970 (Public Law 91–513), as amended.

"Current Value" has the meaning specified therefor in Section 7.01(m).

"Debtor Relief Law" means the Bankruptcy Code and any other liquidation, conservatorship, bankruptcy, assignment for the benefit of creditors, moratorium, rearrangement, receivership, insolvency, reorganization, or similar debtor relief law of the United States or other applicable jurisdiction from time to time in effect.

"Default" means an event which, with the giving of notice or the lapse of time or both, would constitute an Event of Default.

"Disposition" means any transaction, or series of related transactions, pursuant to which any Person or any of its Subsidiaries sells, assigns, transfers, leases, licenses (as licensor) or otherwise disposes of any property or assets (whether now owned or hereafter acquired) to any other Person, in each case, whether or not the consideration therefor consists of cash, securities or other assets owned by the acquiring Person. For purposes of clarification, "Disposition" shall include (a) the sale or other disposition for value of any contracts, (b) any disposition of property through a "plan of division" under the Delaware Limited Liability Company Act or any comparable transaction under any similar law, or (c) the early termination or modification of any contract resulting in the receipt by any Loan Party of a cash payment or other consideration in exchange for such event (other than payments in the ordinary course for accrued and unpaid amounts due through the date of termination or modification).

"Disqualified Equity Interests" means any Equity Interest that, by its terms (or by the terms of any security or other Equity Interest into which it is convertible or for which it is exchangeable), or upon the happening of any event or condition, (a) matures or is mandatorily redeemable (other than for Equity Interests that do not constitute Disqualified Equity Interests), pursuant to a sinking fund obligation or otherwise (except as a result of a change of control or asset sale so long as any rights of the holders thereof upon the occurrence of a change of control or asset sale event shall be subject to the prior repayment in full of the Loans and all other Obligations and the termination of the Commitments), (b) is redeemable (other than for Equity Interests that do not constitute Disqualified Equity Interests) at the option of the holder thereof, in whole or in part, (c) provides for the scheduled payments of dividends or distributions in cash, or (d) is convertible into or exchangeable for (i) Indebtedness or (ii) any other Equity Interests that would constitute Disqualified Equity Interests, in each case of clauses (a) through (d), prior to the date that is 91 days after the Final Maturity Date.

"Disqualified Entity" means any entity set forth on the list provided by Holdings to the Collateral Agent prior to the date hereof and designated as the list of "Disqualified Entities".

"Dollar," "Dollars" and the symbol "$" each means lawful money of the United States of America.

"Effective Date" has the meaning specified therefor in Section 5.01.

"Employee Plan" means an employee benefit plan within the meaning of Section 3(3) of ERISA (other than a Multiemployer Plan), regardless of whether subject to ERISA, that any Loan Party or any of its ERISA Affiliates maintains, sponsors or contributes to or is obligated to contribute to.

"Environmental Claim" means any complaint, summons, citation, notice, directive, order, claim, litigation, investigation, judicial or administrative proceeding, judgment, letter or other communication from any Person or Governmental Authority involving any alleged or actual (a) violation of or liability under any Environmental Law; or (b) manufacture, use, handling, generation, transportation, storage, treatment, Release, threatened Release or disposal or exposure to any Hazardous Materials.

"Environmental Law" means any Requirement of Law relating to or concerning (i) the protection of the environment, natural resources, human health or safety, or (ii) the manufacture, use, handling, generation, transportation, storage, treatment, Release, threatened Release or disposal of or exposure to any Hazardous Material.

"Environmental Liability" means all liabilities (contingent or otherwise, known or unknown), monetary obligations, losses (including monies paid in settlement), damages, natural resource damages, costs and expenses (including all reasonable fees, costs, client charges and expenses of counsel, experts and consultants), fines, penalties, sanctions and interest arising directly or indirectly as a result of or based upon (a) any Environmental Claim; (b) any actual, alleged or threatened non-compliance with Environmental Law or Environmental Permit; (c) any actual, alleged or threatened Release of or exposure to Hazardous Materials; (d) any Remedial Action; (e) any environmental condition; or (f) any contract, agreement, or other arrangement pursuant to which liability is assumed or imposed with respect to any of the foregoing.

"Environmental Lien" means any Lien in favor of any Governmental Authority for Environmental Liability.

"Environmental Permit" means any permit, license, authorization, approval, registration or entitlement required by or issued pursuant to any Environmental Law or by any Governmental Authority pursuant to Environmental Law.

"Equity Interests" means (a) all shares of capital stock (whether denominated as common stock or preferred stock), equity interests, beneficial, partnership or membership interests, joint venture interests, participations or other ownership or profit interests in or equivalents (regardless of how designated) of or in a Person (other than an individual), whether voting or non-voting and (b) all securities convertible into or exchangeable for any of the foregoing and all warrants, options or other rights to purchase, subscribe for or otherwise acquire any of the foregoing, whether or not presently convertible, exchangeable or exercisable.

"Equity Issuance" means either (a) the sale or issuance by the Parent of any shares of its Equity Interests or (b) the receipt by the Parent of any cash capital contributions.

"ERISA" means the Employee Retirement Income Security Act of 1974, as amended, and any successor statute of similar import, and regulations thereunder, in each case, as in effect from time to time. References to sections of ERISA shall be construed also to refer to any successor sections.

"ERISA Affiliate" means, with respect to any Person, any trade or business (whether or not incorporated) which is a member of a group of which such Person is a member and which would be deemed to be a "controlled group" or under "common control" within the meaning of Sections 414(b), (c), (m) or (o) of the Internal Revenue Code or Sections 4001(a)(14) or 4001(b)(1) of ERISA.

"ERISA Event" means (a) the occurrence of a Reportable Event with respect to any Pension Plan; (b) the failure to meet the minimum funding standards of Section 412 or 430 of the Internal Revenue Code or Section 302 or 303 of ERISA with respect to any Pension Plan (whether or not waived in accordance with Section 412(c) of the Internal Revenue Code or Section 302(c) of ERISA) or the failure to make a contribution or installment required under Section 412 or Section 430(j) of the Internal Revenue Code with respect to any Pension Plan or the failure to make any required contribution to a Multiemployer Plan; (c) a determination that any Pension Plan is, or is expected to be, in "at risk" status (as defined in Section 430 of the Internal Revenue Code or Section 303 of ERISA); (d) a determination that any Multiemployer Plan is, or is expected to be, in "critical" or "endangered" status under Section 432 of the Internal Revenue Code or Section 305 of ERISA; (e) the filing of a notice of intent to terminate a Pension Plan or the treatment of an amendment to a Pension Plan as a termination under Section 4041 of ERISA; (f) the withdrawal by any Loan Party or any of its ERISA Affiliates from any Pension Plan with two or more contributing sponsors or the termination of any such Pension Plan resulting in liability to any Loan Party or any of its ERISA Affiliates pursuant to Section 4063 or 4064 of ERISA; (g) the institution by the PBGC of proceedings to terminate any Pension Plan, or the occurrence of any event or condition that might constitute grounds under ERISA for the termination of, or the appointment of a trustee to administer, any Pension Plan; (h) the imposition of liability on any Loan Party or any of its ERISA Affiliates pursuant to Section 4062(e) or 4069(a) of ERISA or by reason of the application of Section 4212(c) of ERISA; (i) the withdrawal of any Loan Party or any of its ERISA Affiliates in a complete or partial withdrawal (within the meaning of Sections 4203 and 4205 of ERISA) from any Multiemployer Plan or the receipt by any Loan Party or any of its ERISA Affiliates of notice from any Multiemployer Plan that it is in reorganization or insolvency pursuant to Section 4241 or 4245 of ERISA, or that it intends to terminate or has terminated under Section 4041A or 4042 of ERISA; (j) the occurrence of an act or omission which could give rise to the imposition on any Loan Party or any of its ERISA Affiliates of fines, penalties, taxes or related charges under Sections 4975 or 4971 of the Internal Revenue Code or under Section 409, Section 502(c), (i) or (l), or Section 4071 of ERISA in respect of any Employee Plan; (k) the imposition of any liability under Title IV of ERISA, other than for PBGC premiums due but not delinquent, upon any Loan Party or any of its ERISA Affiliates; (l) the assertion of a claim (other than routine claims for benefits) against any Employee Plan or the assets thereof, or against any Loan Party or any of its ERISA Affiliates in connection with any Employee Plan or Multiemployer Plan; (m) receipt from the Internal Revenue Service of notice of the failure of any Pension Plan (or any other Employee Plan intended to be qualified under Section 401(a) of the Internal Revenue Code) to qualify under Section 401(a) of the Internal Revenue Code, or the failure of any trust forming part of any such Pension Plan (or such other Employee Plan) to qualify for exemption from taxation under Section 501(a) of the Internal Revenue Code; (n) the imposition on any Loan Party of any material fine, excise tax or penalty with respect to any Employee Plan or Multiemployer Plan resulting from any noncompliance with any Requirements of Law; or (o) the imposition of a Lien pursuant to Section 430(k) of the Internal Revenue Code or pursuant to ERISA with respect to any Pension Plan.

"Event of Default" has the meaning specified therefor in Section 9.01.

"Excess Cash Flow" means, with respect to any Person for any period, (a) Consolidated EBITDA of such Person and its Subsidiaries for such period, less (b) the sum of, without duplication, (i) all cash principal payments (excluding any principal payments made pursuant to Section 2.05(c)) on the Loans made during such period, and all cash principal payments on Indebtedness (other than Indebtedness incurred under this Agreement) of such Person or any of its Subsidiaries during such period to the extent such other Indebtedness is permitted to be incurred, and such payments are permitted to be made, under this Agreement (but, in the case of revolving loans, only to the extent that the revolving credit commitment in respect thereof is permanently reduced by the amount of such payments), (ii) all Consolidated Net Interest Expense to the extent paid or payable in cash during such period, (iii) the cash portion of Capital Expenditures made by such Person and its Subsidiaries during such period to the extent permitted to be made under this Agreement (excluding Capital Expenditures to the extent financed through an Equity

Issuance (including Capex Contributions)), (iv) all scheduled loan servicing fees and other similar fees in respect of Indebtedness of such Person or any of its Subsidiaries paid in cash during such period, to the extent such Indebtedness is permitted to be incurred, and such payments are permitted to be made, under this Agreement, (v) income taxes paid in cash by such Person and its Subsidiaries for such period, (vi) all cash expenses, cash charges, cash losses and other cash items that were added back in the determination of Consolidated EBITDA and (vii) cash amounts paid with respect to acquisitions and other Investments permitted by this Agreement, plus (c) the excess, if any, of Working Capital at the beginning of such period over Working Capital at the end of such period (i.e., decreases in Working Capital for such period) (or minus the excess, if any, of Working Capital at the end of such period over Working Capital at the beginning of such period (i.e., increases in Working Capital for such period).

"Exchange Act" means the Securities Exchange Act of 1934, as amended.

"Excluded Account" means (a) any deposit account specifically and exclusively used for payroll, payroll taxes and other employee wage and benefit payments to or for the benefit of any Loan Party's employees and (b) any Petty Cash Accounts.

"Excluded Facility" means any Facility, (a) owned in fee by the Parent or any of its Subsidiaries, whether now owned or hereafter acquired, (b) used for retail or cultivation purposes by the Borrower in the ordinary course of business and (c) subject to Permitted Indebtedness permitted by clause (j) of the definition thereof.

"Excluded Taxes" means any of the following Taxes imposed on or with respect to a Recipient or required to be withheld or deducted from a payment to a Recipient, (a) Taxes imposed on or measured by net income (however denominated), franchise Taxes, and branch profits Taxes, in each case, (i) imposed as a result of such Recipient being organized under the laws of, or having its principal office or, in the case of any Lender, its applicable lending office located in, the jurisdiction imposing such Tax (or any political subdivision thereof) or (ii) that are Other Connection Taxes, (b) in the case of a Lender, U.S. federal withholding Taxes imposed on amounts payable to or for the account of such Lender with respect to an applicable interest in a Loan or Commitment pursuant to a law in effect on the date on which (i) such Lender acquires such interest in the Loan or Commitment or (ii) such Lender changes its lending office, except in each case to the extent that, pursuant to Section 2.09, amounts with respect to such Taxes were payable either to such Lender's assignor immediately before such Lender became a party hereto or to such Lender immediately before it changed its lending office, (c) Taxes attributable to such Recipient's failure to comply with Section 2.09(d) and (d) any U.S. federal withholding Taxes imposed under FATCA.

"Executive Order No. 13224" means the Executive Order No. 13224 on Terrorist Financing, effective September 24, 2001, as the same has been, or shall hereafter be, renewed, extended, amended or replaced.

"Existing Credit Facility" means that certain Loan Agreement, dated as of June 17, 2019 (as amended, amended and restated, supplemented or otherwise modified prior to the Effective Date), by and between [REDACTED] and Holdings.

"Existing Lenders" means the lenders party to the Existing Credit Facility.

"Extraordinary Receipts" means any cash received by the Parent or any of its Subsidiaries not in the ordinary course of business (and not consisting of proceeds described in Section 2.05(c)(ii) or (iii) hereof), including, without limitation, (a) foreign, United States, state or local tax refunds, (b) pension plan reversions, (c) proceeds of insurance (other than to the extent such insurance proceeds are (i) immediately payable to a Person that is not the Parent or any of its Subsidiaries in accordance with

applicable Requirements of Law or with Contractual Obligations entered into in the ordinary course of business or (ii) received by the Parent or any of its Subsidiaries as reimbursement for any out-of-pocket costs incurred or made by such Person prior to the receipt thereof directly related to the event resulting from the payment of such proceeds), (d) judgments, proceeds of settlements or other consideration of any kind in connection with any cause of action other than as reimbursement for any out-of-pocket costs incurred or made by such Person prior to the receipt thereof directly related to the event resulting from the payment of such judgment or settlement, (e) condemnation awards (and payments in lieu thereof), (f) indemnity payments (other than to the extent such indemnity payments are (i) immediately payable to a Person that is not an Affiliate of the Parent or any of its Subsidiaries or (ii) received by the Parent or any of its Subsidiaries as reimbursement for any costs previously incurred or any payment previously made by such Person) and (g) any purchase price adjustment received in connection with any purchase agreement including, without limitation, [REDACTED].

"Facility" means the real property identified on Schedule 1.01(B) and any New Facility hereafter acquired by the Parent or any of its Subsidiaries, including, without limitation, the land on which each such facility is located, all buildings and other improvements thereon, and all fixtures located thereat or used in connection therewith.

"FASB ASC" means the Accounting Standards Codification of the Financial Accounting Standards Board.

"FATCA" means Sections 1471 through 1474 of the Internal Revenue Code, as of the date of this Agreement (or any amended or successor version that is substantively comparable and not materially more onerous to comply with) and any current or future regulations or official interpretations thereof, any agreements entered into pursuant to Section 1471(b)(1) of the Internal Revenue Code and any fiscal, tax or regulatory legislation, rules or official practices adopted pursuant to any intergovernmental agreement entered into in connection with the implementation of Sections 1471 through 1474 of the Internal Revenue Code and the Treasury Regulations thereunder.

"Final Maturity Date" means October 29, 2025.

"Financial Statements" means (a) the unaudited consolidated balance sheet of Holdings and its Subsidiaries for the Fiscal Years ended December 31, 2018 and December 31, 2019, and the related consolidated statement of operations, shareholders' equity and cash flows for the Fiscal Year then ended, in each case, prepared in accordance with GAAP, (b) the unaudited consolidated balance sheet of Holdings and its Subsidiaries for the six months ended June 30, 2020, and the related consolidated statement of operations, shareholder's equity and cash flows for the five months then ended, (c) the unaudited consolidated balance sheet of [REDACTED] and its Subsidiaries as of June 30, 2020, and the unaudited consolidated statement of operations of [REDACTED] and its Subsidiaries for the fiscal year ended December 30, 2019, in the case of each of the foregoing clauses (a) and (b), prepared in accordance with GAAP, other than with respect to customary audit adjustments and the absence of notes.

"Fiscal Quarter" means mean any quarter in a Fiscal Year. The Fiscal Quarters in any Fiscal Year end on March 31, June 30, September 30 and December 31 of such Fiscal Year.

"Fiscal Year" means the fiscal year of the Parent and its Subsidiaries ending on December 31 of each year.

"Funding Losses" has the meaning specified therefor in Section 2.08.

"GAAP" means generally accepted accounting principles in effect from time to time in the United States, applied on a consistent basis.

"Governing Documents" means, (a) with respect to any corporation, the certificate or articles of incorporation and the bylaws (or equivalent or comparable constitutive documents with respect to any non-U.S. jurisdiction); (b) with respect to any limited liability company, the certificate or articles of formation or organization, and the operating agreement; (c) with respect to any partnership, joint venture, trust or other form of business entity, the partnership, joint venture, declaration or other applicable agreement or documentation evidencing or otherwise relating to its formation or organization, governance and capitalization; and (d) with respect to any of the entities described above, any other agreement, instrument, filing or notice with respect thereto filed in connection with its formation or organization with the applicable Governmental Authority in the jurisdiction of its formation or organization.

"Governmental Authority" means any nation or government, any Federal, state, city, town, municipality, county, local or other political subdivision thereof or thereto and any department, commission, board, bureau, instrumentality, agency or other entity exercising executive, legislative, judicial, taxing, regulatory or administrative or zoning powers or functions of or pertaining to government (including any supra-national bodies such as the European Union or the European Central Bank).

[REDACTED]"Guaranteed Obligations" has the meaning specified therefor in Section 11.01.

"Guarantor" means (a) the Parent and each Subsidiary of the Parent listed as a "Guarantor" on the signature pages hereto, and (b) each other Person which guarantees, pursuant to Section 7.01(b) or otherwise, all or any part of the Obligations. Notwithstanding anything herein to the contrary, in no event shall Holdings be considered a "Guarantor" hereunder.

"Guaranty" means (a) the guaranty of each Guarantor party hereto contained in Article XI hereof and (b) each other guaranty, in form and substance reasonably satisfactory to the Collateral Agent, made by any other Guarantor in favor of the Collateral Agent for the benefit of the Agents and the Lenders guaranteeing all or part of the Obligations.

"Hazardous Material" means any element, compound or chemical that is defined, listed or otherwise classified as a contaminant, pollutant, toxic or hazardous substance, hazardous waste, special waste, or solid waste or words of similar import under any Environmental Law or that is otherwise regulated under or for which liability or standards of care are imposed pursuant to any Environmental Law, including, without limitation, petroleum, polychlorinated biphenyls; asbestos-containing materials, urea formaldehyde-containing materials radioactive materials and toxic mold.

"Hedging Agreement" means any interest rate, foreign currency, commodity or equity swap, collar, cap, floor or forward rate agreement, or other agreement or arrangement designed to protect against fluctuations in interest rates or currency, commodity or equity values (including, without limitation, any option with respect to any of the foregoing and any combination of the foregoing agreements or arrangements), and any confirmation executed in connection with any such agreement or arrangement.

"Highest Lawful Rate" means, with respect to any Agent or any Lender, the maximum non-usurious interest rate, if any, that at any time or from time to time may be contracted for, taken, reserved, charged or received on the Obligations under laws applicable to such Agent or such Lender which are currently in effect or, to the extent allowed by law, under such applicable laws which may hereafter be in effect and which allow a higher maximum non-usurious interest rate than applicable laws now allow.

"Holdings" means Ascend Wellness Holdings, LLC, a Delaware limited liability company, and its successor as the Delaware corporation into which it is converted or merged in. proposed registered initial public offering of its Equity Interests, but only so long as such successor corporation assumes Holdings' obligations under the Holdings Guaranty in a manner reasonably satisfactory to the Required Holders.

"Holdings Guaranty" means that certain Holdings Guaranty, dated as of the Effective Date, by Holdings in favor of the Collateral Agent for the benefit of the Secured Parties.

"Incremental Facility Amendment" has the meaning specified therefor in Section 2.12.

"Incremental Term Facility" has the meaning specified therefor in Section 2.12.

"Incremental Term Loan" has the meaning specified therefor in Section 2.12.

"Indebtedness" means, with respect to any Person, without duplication, (a) all indebtedness of such Person for borrowed money; (b) all obligations of such Person for the deferred purchase price of property or services (other than trade payables or other accounts payable incurred in the ordinary course of such Person's business and not outstanding for more than 120 days after the date such payable was created and any earn-out, purchase price adjustment or similar obligation until such obligation appears in the liabilities section of the balance sheet of such Person); (c) all obligations of such Person evidenced by bonds, debentures, notes or other similar instruments or upon which interest payments are customarily made; (d) all reimbursement, payment or other obligations and liabilities of such Person created or arising under any conditional sales or other title retention agreement with respect to property used and/or acquired by such Person, even though the rights and remedies of the lessor, seller and/or lender thereunder may be limited to repossession or sale of such property; (e) all Capitalized Lease Obligations of such Person; (f) all obligations and liabilities, contingent or otherwise, of such Person, in respect of letters of credit, acceptances and similar facilities; (g) all obligations and liabilities, calculated on a net basis reasonably satisfactory to the Collateral Agent and in accordance with accepted practice, of such Person under Hedging Agreements; (h) all monetary obligations under any receivables factoring, receivable sales or similar transactions and all monetary obligations under any synthetic lease, tax ownership/operating lease, off-balance sheet financing or similar financing; (i) all Contingent Obligations; (j) all Disqualified Equity Interests; and (k) all

obligations referred to in clauses (a) through (j) of this definition of another Person secured by (or for which the holder of such Indebtedness has an existing right, contingent or otherwise, to be secured by) a Lien upon property owned by such Person, even though such Person has not assumed or become liable for the payment of such Indebtedness. The Indebtedness of any Person shall include the Indebtedness of any other entity (including any partnership in which such Person is a general partner) to the extent such Person is liable therefor as a result of such Person's ownership interest in or other relationship with such entity, except to the extent the terms of such Indebtedness expressly provide that such Person is not liable therefor.

"Indemnified Matters" has the meaning specified therefor in Section 12.15.

"Indemnified Taxes" means (a) Taxes, other than Excluded Taxes, imposed on or with respect to any payment made by or on account of any obligation any Loan Party under any Loan Document and (b) to the extent not otherwise described in clause (a), Other Taxes.

"Indemnitees" has the meaning specified therefor in Section 12.15.

"Insolvency Proceeding" means any proceeding commenced by or against any Person under any provision of any Debtor Relief Law.

"Intellectual Property" has the meaning specified therefor in the Security Agreement.

"Intellectual Property Contracts" means all agreements concerning Intellectual Property, including without limitation license agreements, technology consulting agreements, confidentiality agreements, co-existence agreements, consent agreements and non-assertion agreements.

"Intercompany Subordination Agreement" means an Intercompany Subordination Agreement made by the Parent and its Subsidiaries in favor of the Collateral Agent for the benefit of the Agents and the Lenders, in form and substance reasonably satisfactory to the Collateral Agent.

"Internal Revenue Code" means the Internal Revenue Code of 1986, as amended.

"Inventory" means, with respect to any Person, all goods and merchandise of such Person leased or held for sale or lease by such Person, including, without limitation, all raw materials, work-in-process and finished goods, and all packaging, supplies and materials of every nature used or usable in connection with the shipping, storing, advertising or sale of such goods and merchandise, whether now owned or hereafter acquired, and all such other property the sale or other disposition of which would give rise to an Account or cash.

"Investment" means, with respect to any Person, (a) any investment by such Person in any other Person (including Affiliates) in the form of loans, guarantees, advances or other extensions of credit (excluding Accounts arising in the ordinary course of business), capital contributions or acquisitions of Indebtedness (including, any bonds, notes, debentures or other debt securities), Equity Interests, or all or substantially all of the assets of such other Person (or of any division or business line of such other Person), (b) the purchase or ownership of any futures contract or liability for the purchase or sale of currency or other commodities at a future date in the nature of a futures contract, or (c) any investment in any other items that are or would be classified as investments on a balance sheet of such Person prepared in accordance with GAAP.

"Joinder Agreement" means a Joinder Agreement, substantially in the form of Exhibit A, duly executed by a Subsidiary of a Loan Party made a party hereto pursuant to Section 7.01(b).

"Lease" means any lease or sublease of, or other agreement granting a possessory interest in, real property to which any Loan Party or any of its Subsidiaries is a party as lessor, lessee, sublessor or sublessee.

"Lender" has the meaning specified therefor in the preamble hereto.

"Lien" means any mortgage, deed of trust, deed to secure debt, pledge, lien (statutory or otherwise), security interest, charge or other encumbrance or security or preferential arrangement of any nature, including, without limitation, any conditional sale or title retention arrangement, any Capitalized Lease and any assignment, deposit arrangement or financing lease intended as, or having the effect of, security.

"Loan" means the Term Loan made by an Agent or a Lender to the Borrower pursuant to Article II hereof.

"Loan Account" means an account maintained hereunder by the Administrative Agent on its books of account at the Payment Office, and with respect to the Borrower, in which the Borrower will be charged with all Loans made to, and all other Obligations incurred by, the Borrower.

"Loan Document" means this Agreement, [REDACTED], any Control Agreement, the Holdings Guaranty, any Guaranty, the Intercompany Subordination Agreement, any Joinder Agreement, any Mortgage, any Security Agreement, any UCC Filing Authorization Letter, any landlord waiver, any collateral access agreement, any Perfection Certificate and any other agreement, instrument, certificate, report and other document executed and delivered pursuant hereto or thereto or otherwise evidencing or securing any Loan or any other Obligation.

"Loan Party" means the Borrower and any Guarantor; provided that, notwithstanding that Holdings is a Guarantor, in no event will Holdings constitute a Loan Party.

"LTV Ratio" means, as of any date of determination, the ratio (expressed as a percentage) of (a) the aggregate principal amount of the Incremental Term Loans made as such date to (b) the sum of the aggregate principal amount of Incremental Term Loans made as such date plus the Net Cash Proceeds of Equity Issuances (including Capex Contributions) received by the Borrower on or prior to such date.

"Marijuana" means "marihuana" as defined in the Controlled Substances Act and any compound or product derived therefrom.

"Material Adverse Effect" means a material adverse effect on any of (a) the operations, assets, liabilities or financial condition of the Loan Parties taken as a whole or Holdings and its Subsidiaries taken as a whole, (b) the ability of the Loan Parties taken as a whole to perform any of their obligations under any Loan Document, (c) the ability of Holdings to perform any of its obligations under any Loan Document to which it is a party, (d) the legality, validity or enforceability of this Agreement or any other Loan Document, (e) the rights and remedies of any Agent or any Lender under the Loan Documents, or (f) the validity, perfection or priority of a Lien in favor of the Collateral Agent for the benefit of the Agents and the Lenders on Collateral having a fair market value in excess of $[***].

"Material Contract" means, with respect to any Person, (a) each contract or agreement to which such Person or any of its Subsidiaries is a party involving aggregate consideration payable to or by such Person or such Subsidiary of $[***] or more in any Fiscal Year (other than purchase orders in the ordinary course of the business of such Person or such Subsidiary and other than contracts that by their terms may be terminated by such Person or Subsidiary in the ordinary course of its business upon less than

60 days' notice without penalty or premium) and (b) all other contracts or agreements as to which the breach, nonperformance, cancellation or failure to renew by any party thereto could reasonably be expected to have a Material Adverse Effect.

"Material License" means each Core Permit (as defined in [REDACTED] as in effect on the date hereof) and any other material license, permit, approval, entitlement, consent, agreement or similar permission from a Governmental Authority that entitles a Loan Party to conduct Cannabis Activities in a specific state, geographic region, and/or local jurisdiction.

"Material Subsidiary" means a Subsidiary owning assets with a fair market value of $[***] or more; provided that if, at any time and from time to time after the Closing Date, Subsidiaries that are not Material Subsidiaries own, in the aggregate, assets with a fair market value of $[***] or more, then Holdings shall designate in writing to the Agent one or more of such Subsidiaries as Material Subsidiaries (and accordingly comply with the requirements of Section 7.01(b)) for each fiscal period until this proviso is no longer applicable.

"Moody's" means Moody's Investors Service, Inc. and any successor thereto.

"Mortgage" means a mortgage, deed of trust or deed to secure debt, in form and substance reasonably satisfactory to the Collateral Agent, made by a Loan Party in favor of the Collateral Agent for the benefit of the Agents and the Lenders, securing the Obligations and delivered to the Collateral Agent.

"Multiemployer Plan" means a "multiemployer plan" as defined in Section 4001(a)(3) of ERISA to which any Loan Party or any of its ERISA Affiliates has contributed, or has been obligated to contribute, to at any time during the preceding the six calendar years.

"Net Cash Proceeds" means, with respect to, any issuance or incurrence of any Indebtedness, any Equity Issuance, any Disposition or the receipt of any Extraordinary Receipts by any Person or any of its Subsidiaries, the aggregate amount of cash received (directly or indirectly) from time to time (whether as initial consideration or through the payment or disposition of deferred consideration) by or on behalf of such Person or such Subsidiary, in connection therewith after deducting therefrom only (a) in the case of any Disposition or the receipt of any Extraordinary Receipts consisting of insurance proceeds or condemnation awards, the amount of any Indebtedness secured by any Permitted Lien on any asset (other than Indebtedness assumed by the purchaser of such asset) which is required to be, and is, repaid in connection therewith (other than Indebtedness under this Agreement), (b) reasonable expenses related thereto incurred by such Person or such Subsidiary in connection therewith, (c) transfer taxes paid to any taxing authorities by such Person or such Subsidiary in connection therewith, (d) net income taxes to be paid in connection therewith (after taking into account any tax credits or deductions and any tax sharing arrangements) and (e) reasonable reserves for future indemnity payments and other liabilities, in each case, to the extent, but only to the extent, that the amounts so deducted (other than reserves, until such reserves expire or are reversed) are (i) actually paid to a Person that, except in the case of reasonable out-of-pocket expenses, is not an Affiliate of such Person or any of its Subsidiaries and (ii) properly attributable to such transaction or to the asset that is the subject thereof.

"New Facility" has the meaning specified therefor in Section 7.01(m).

"Non-U.S. Lender" has the meaning specified therefor in Section 2.09(d).

"Notice of Borrowing" has the meaning specified therefor in Section 2.02(a).

"Obligations" means all present and future indebtedness, obligations, and liabilities of each Loan Party to the Agents and the Lenders arising under or in connection with this Agreement or any other Loan Document, whether or not the right of payment in respect of such claim is reduced to judgment, liquidated, unliquidated, fixed, contingent, matured, disputed, undisputed, legal, equitable, secured, unsecured, and whether or not such claim is discharged, stayed or otherwise affected by any proceeding referred to in Section 9.01. Without limiting the generality of the foregoing, the Obligations of each Loan Party under the Loan Documents include (a) the obligation (irrespective of whether a claim therefor is allowed in an Insolvency Proceeding) to pay principal, interest, charges, expenses, fees, premiums (including the Applicable Premium), attorneys' fees and disbursements, indemnities and other amounts payable by such Person under the Loan Documents, and (b) the obligation of such Person to reimburse any amount in respect of any of the foregoing that any Agent or any Lender (in its sole discretion) may elect to pay or advance on behalf of such Person.

"OFAC" means the Office of Foreign Assets Control of the U.S. Department of the Treasury.

"Other Connection Taxes" means, with respect to any Recipient, Taxes imposed as a result of a present or former connection between such Recipient and the jurisdiction imposing such Tax (other than connections arising from such Recipient having executed, delivered, become a party to, performed its obligations under, received payments under, received or perfected a security interest under, engaged in any other transaction pursuant to or enforced any Loan Document, or sold or assigned an interest in any Loan or Loan Document).

"Other Taxes" means all present or future stamp, court or documentary, intangible, recording, filing or similar Taxes that arise from any payment made under, from the execution, delivery, performance, enforcement or registration of, from the receipt or perfection of a security interest under, or otherwise with respect to, any Loan Document.

"Parent" has the meaning specified therefor in the preamble hereto. "Participant Register" has the meaning specified therefor in Section 12.07(i).

"Payment Office" means the Administrative Agent's office located at 110 W. 40th Street, Suite 900, New York, New York 10018, or at such other office or offices of the Administrative Agent as may be designated in writing from time to time by the Administrative Agent to the Collateral Agent and the Borrower.

"PBGC" means the Pension Benefit Guaranty Corporation or any successor thereto.

"Pension Plan" means an Employee Plan that is subject to Section 412 of the Internal Revenue Code, Section 302 of ERISA or Title IV of ERISA maintained, sponsored or contributed to, or for which there is an obligation to contribute to, by any Loan Party or any of its ERISA Affiliates at any time during the preceding six calendar years.

"Perfection Certificate" means a certificate in form and substance reasonably satisfactory to the Collateral Agent providing information with respect to the property of each Loan Party.

"Permitted Disposition" means:

(a) sale of Inventory in the ordinary course of business and on arm's length terms;

(b) licensing, on a non-exclusive basis, Intellectual Property rights in the ordinary course of business and on arm's length terms;

(c) leasing or subleasing assets in the ordinary course of business and on arm's length terms;

(d) (i) the lapse of Registered Intellectual Property of the Parent and its Subsidiaries to the extent not economically desirable in the conduct of their business or (ii) the abandonment of Intellectual Property rights in the ordinary course of business so long as (in each case under clauses (i) and (ii)), (A) with respect to copyrights, such copyrights are not material revenue generating copyrights, and (B) such lapse is not materially adverse to the interests of the Secured Parties;

(e) any involuntary loss, damage or destruction of property;

(f) any involuntary condemnation, seizure or taking, by exercise of the power of eminent domain or otherwise, or confiscation or requisition of use of property;

(g) so long as no Event of Default has occurred and is continuing or would result therefrom, transfers of assets (i) from the Parent or any of its Subsidiaries (other than the Borrower) to a Loan Party (other than the Parent), and (ii) from any Subsidiary of the Parent that is not a Loan Party to any other Subsidiary of the Parent;

(h) Sale and Leaseback Transactions on customary market terms with respect to cultivation or dispensary facilities;

(i) Disposition of obsolete or worn-out equipment in the ordinary course of business; and

(j) Disposition of property or assets not otherwise permitted in clauses (a) through (h) above for cash in an aggregate amount not less than the fair market value of such property or assets;

provided that the Net Cash Proceeds of such Dispositions (including the proposed Disposition) (1) in the case of clauses (i) and (j) above, do not exceed $[***] in the aggregate (for all Loan Parties and their Subsidiaries) in any Fiscal Year and (2) in all cases, are paid to the Administrative Agent for the benefit of the Agents and the Lenders pursuant to the terms of Section 2.05(c)(ii) or applied as provided in Section 2.05(c)(vi); provided further that all such Dispositions (other than those made pursuant to clause (g) above) shall be made to Persons that are not Affiliates of Holdings.

"Permitted Holder" means Abner Kurtin, Frank Perullo and trusts or other investment vehicles for the benefit of their families and charities so long as Abner Kurtin or Frank Perullo, as the case may be, maintains control over such trusts and investment vehicles.

"Permitted Indebtedness" means:

(a) any Indebtedness owing to any Agent or any Lender under this Agreement and the other Loan Documents;

(b) any other Indebtedness listed on Schedule 7.02(b), and any Permitted Refinancing Indebtedness in respect of such Indebtedness;

(c) Permitted Purchase Money Indebtedness and any Permitted Refinancing Indebtedness in respect of such Indebtedness;

(d) Permitted Intercompany Investments;

(e) Indebtedness incurred in the ordinary course of business under performance, surety, statutory, and appeal bonds, and obligations in respect of letters of credit related thereto;

(f) Indebtedness owed to any Person providing property, casualty, liability, or other insurance to the Loan Parties, so long as the amount of such Indebtedness is not in excess of the amount of the unpaid cost of, and shall be incurred only to defer the cost of, such insurance for the period in which such Indebtedness is incurred and such Indebtedness is outstanding only during such period;

(g) the incurrence by any Loan Party of Indebtedness under Hedging Agreements that are incurred for the bona fide purpose of hedging the interest rate, commodity, or foreign currency risks associated with such Loan Party's operations and not for speculative purposes;

(h) Indebtedness incurred in respect of credit cards, credit card processing services, debit cards, stored value cards, purchase cards (including so-called "procurement cards" or "P-cards") or other similar cash management services, in each case, incurred in the ordinary course of business;

(i) Obligations under Sale and Leaseback Transactions on customary arm's length market terms with respect to cultivation and dispensary facilities;

(j) Indebtedness that is incurred by any Loan Party solely for financing the purchase of New Facilities (and Permitted Refinancing Indebtedness in respect thereof) so long as (i) the Agent and Lenders have been provided the opportunity to provide such financing (prior to the Loan Parties soliciting offers from or otherwise offering the opportunity to provide such financing to any third parties) and, to the extent the Agent and Lenders elect not to provide such financing, the incurrence thereof has otherwise been approved by the Collateral Agent and Required Lenders, which approval shall not be unreasonably withheld, (ii) no Event of Default has occurred and is continuing or would result therefrom, (iii) the purpose of such New Facility is the establishment of satellite dispensary or cultivation locations of the Borrower, (iv) such Indebtedness (and documents evidencing such Indebtedness) is on terms and conditions reasonably satisfactory to the Collateral Agent and the Required Lenders; and (v) the aggregate principal amount of all such Indebtedness shall not exceed $[***] (or such greater amount as the Collateral Agent and the Required Lenders may approve from time to time) for all Loan Parties and their Subsidiaries at any time outstanding; and

(k) Subordinated Indebtedness in an aggregate amount not exceeding $[***] (or such greater amount as the Collateral Agent and the Required Lenders may approve from time to time) for all Loan Parties and their Subsidiaries at any time outstanding.

"Permitted Intercompany Investments" means Investments made by (a) a Loan Party to or in another Loan Party (other than the Parent), (b) a Subsidiary that is not a Loan Party to or in another Subsidiary that is not a Loan Party, and (c) a Subsidiary that is not a Loan Party to or in a Loan Party, so long as, in the case of a loan or advance, the parties thereto are party to the Intercompany Subordination Agreement.

"Permitted Investments" means:

(a) Investments in cash and Cash Equivalents;

(b) Investments in negotiable instruments deposited or to be deposited for collection in the ordinary course of business;

(c) advances made in connection with purchases of goods or services in the ordinary course of business;

(d) Investments received in settlement of amounts due to any Loan Party or any of its Subsidiaries effected in the ordinary course of business or owing to any Loan Party or any of its Subsidiaries as a result of Insolvency Proceedings involving an Account Debtor or upon the foreclosure or enforcement of any Lien in favor of a Loan Party or its Subsidiaries;

(e) Investments existing on the date hereof, as set forth on Schedule 7.02(e) hereto, but not any increase in the amount thereof as set forth in such Schedule or any other modification of the terms thereof;

(f) Permitted Intercompany Investments;

(g) Hedging Agreements that are incurred for the bona fide purpose of hedging the interest rate, commodity, or foreign currency risks associated with a Loan Party's operations and not for speculative purposes;

(h) Acquisition of a dispensary in Hoboken or another location in New Jersey on arm's length terms;

(i) Acquisitions for cash consideration not in excess of $[***] per year or $[***] in the aggregate (in each case, for all Loan Parties and their Subsidiaries); and

(j) Other Investments not exceeding $[***] (for all Loan Parties and their Subsidiaries) at any time outstanding.

"Permitted Liens" means:

(a) Liens securing the Obligations;

(b) Liens for taxes, assessments and governmental charges the payment of which is not required under Section 7.01(c)(ii);

(c) Liens imposed by law, such as carriers', warehousemen's, mechanics', materialmen's and other similar Liens arising in the ordinary course of business and securing obligations (other than Indebtedness for borrowed money) that are not overdue by more than 30 days or are being contested in good faith and by appropriate proceedings promptly initiated and diligently conducted, and a reserve or other appropriate provision, if any, as shall be required by GAAP shall have been made therefor;

(d) Liens described on Schedule 7.02(a), provided that any such Lien shall only secure the Indebtedness that it secures on the Effective Date and any Permitted Refinancing Indebtedness in respect thereof;

(e) purchase money Liens on equipment acquired or held by any Loan Party or any of its Subsidiaries in the ordinary course of its business to secure Permitted Purchase Money Indebtedness so long as such Lien only (i) attaches to such property and (ii) secures the Indebtedness that was incurred to acquire such property or any Permitted Refinancing Indebtedness in respect thereof;

(f) deposits and pledges of cash securing (i) obligations incurred in respect of workers' compensation, unemployment insurance or other forms of governmental insurance or benefits, (ii) the performance of bids, tenders, leases, contracts (other than for the payment of money) and statutory obligations or (iii) obligations on surety or appeal bonds (and related letters of credit), but only to the extent such deposits or pledges are made or otherwise arise in the ordinary course of business and secure obligations not past due;

(g) with respect to any Facility, easements, zoning restrictions and similar encumbrances on real property and minor irregularities in the title thereto that do not (i) secure obligations for the payment of money or (ii) materially impair the value of such property or its use by any Loan Party or any of its Subsidiaries in the normal conduct of such Person's business;

(h) Liens of landlords and mortgagees of landlords (i) arising by statute or under any Lease or related Contractual Obligation entered into in the ordinary course of business, (ii) on fixtures and movable tangible property located on the real property leased or subleased from such landlord, or (iii) for amounts not yet due or that are being contested in good faith by appropriate proceedings diligently conducted and for which adequate reserves or other appropriate provisions are maintained on the books of such Person in accordance with GAAP;

(i) the title and interest of a lessor or sublessor in and to personal property leased or subleased (other than through a Capitalized Lease), in each case extending only to such personal property;

(j) non-exclusive licenses of Intellectual Property rights in the ordinary course of business;

(k) judgment liens (other than for the payment of taxes, assessments or other governmental charges) securing judgments and other proceedings not constituting an Event of Default under Section 9.01(j);

(l) rights of set-off or bankers' liens upon deposits of cash in favor of banks or other depository institutions, solely to the extent incurred in connection with the maintenance of such deposit accounts in the ordinary course of business;

(m) Liens granted in the ordinary course of business on the unearned portion of insurance premiums securing the financing of insurance premiums to the extent the financing is permitted under the definition of Permitted Indebtedness;

(n) Liens securing Permitted Indebtedness described in clause (j)(i) of the definition of Permitted Indebtedness so long as such Lien only attaches to the applicable New Facility;

(o) precautionary UCC filings with respect to leased personal property; and

(p) other Liens which do not secure Indebtedness for borrowed money or letters of credit with respect to borrowed money or unreimbursed drawings and as to which the aggregate amount of the obligations secured thereby does not exceed $[***] (for all Loan Parties and their Subsidiaries).

"Permitted Purchase Money Indebtedness" means, as of any date of determination, Indebtedness (other than the Obligations, but including Capitalized Lease Obligations) incurred from a Person that is not an Affiliate of Holdings to finance the acquisition of any fixed assets secured by a Lien permitted under clause (e) of the definition of "Permitted Liens"; provided that (a) such Indebtedness is incurred within 60 days after such acquisition, (b) such Indebtedness when incurred shall not exceed the

purchase price of the asset financed and (c) the aggregate principal amount of all such Indebtedness shall not exceed $[***] at any time outstanding.

"Permitted Refinancing Indebtedness" means the extension of maturity, refinancing or modification of the terms of Indebtedness so long as:

(a) after giving effect to such extension, refinancing or modification, the amount of such Indebtedness is not greater than the amount of Indebtedness outstanding immediately prior to such extension, refinancing or modification;

(b) such extension, refinancing or modification does not result in a shortening of the average weighted maturity (measured as of the extension, refinancing or modification) of the Indebtedness so extended, refinanced or modified;

(c) such extension, refinancing or modification is pursuant to terms that are not less favorable to the Loan Parties and the Lenders than the terms of the Indebtedness (including, without limitation, terms relating to the collateral (if any) and subordination (if any)) being extended, refinanced or modified; and

(d) the Indebtedness that is extended, refinanced or modified is not recourse to any Loan Party or any of its Subsidiaries that is liable on account of the obligations other than those Persons which were obligated with respect to the Indebtedness that was refinanced, renewed, or extended.

"Permitted Restricted Payments" means any of the following Restricted Payments made by:

(a) any Loan Party to the Parent in amounts necessary to pay customary expenses as and when due and owing by the Parent in the ordinary course of its business as a holding company (including salaries and related reasonable and customary expenses incurred by employees of the Parent), so long as no Default or Event of Default shall have occurred and be continuing or would result from the making of such payment,

(b) any Loan Party to Holdings in amounts necessary to enable Holdings to make tax distributions to its direct or indirect equityholders ("Tax Distributions") with respect to each calendar year or portion thereof in which this Agreement is in effect, in an aggregate amount equal to the amount of income tax liability at the highest marginal blended federal, state and local tax rate applicable to ordinary income, qualified dividend income or capital gains, as appropriate, for an individual residing in New York, New York, taking into account for federal income tax purposes, the deductibility of state and local taxes and any applicable limitations on such deductions ; provided that (i) any Tax Distribution made with respect to estimated income taxes shall be made no earlier than 10 days prior to the due date of such estimated income taxes; (ii) any Tax Distribution made with respect to a final income tax return to be filed with respect to any year shall be made no earlier than 10 days prior to the due date of such income tax return; (iii) no Tax Distributions shall be made by a Loan Party unless and until the net taxable income of such Loan Party exceeds the net taxable losses of such Loan Party,

(c) any Subsidiary of the Borrower to the Borrower,

(d) the Parent to pay dividends in the form of common Equity Interests;

(e) the Borrower to Holdings in respect of the Closing Date Distribution.

"Permitted Specified Liens" means Permitted Liens described in clauses (a), (b) and (c) of the definition of Permitted Liens, and, solely in the case of Section 7.01(b)(i), including clauses (g), (h) and (i) of the definition of Permitted Liens.

"Person" means an individual, corporation, limited liability company, partnership, association, joint-stock company, trust, unincorporated organization, joint venture or other enterprise or entity or Governmental Authority.

"Petty Cash Accounts" means Cash Management Accounts with deposits at any time in an aggregate amount not in excess of $[***] for any one account and $[***] in the aggregate for all such accounts.

"Post-Default Rate" means a rate of interest per annum equal to the lesser of [***] percent ([***]%) and the maximum rate permitted by applicable law.

"Pro Rata Share" means, with respect to:

(a) a Lender's obligation to make the Term Loan on the Effective Date and the right to receive payments of interest, fees, and principal with respect thereto, the percentage obtained by dividing (i) such Lender's Term Loan Commitment, by (ii) the Total Term Loan Commitment, provided that if the Total Term Loan Commitment has been reduced to zero, the numerator shall be the aggregate unpaid principal amount of such Lender's portion of the Term Loan and the denominator shall be the aggregate unpaid principal amount of the Term Loan,

(b) a Lender's right to receive payments of interest, fees, and principal with respect to any Incremental Term Loan, the percentage obtained by dividing (i) the aggregate unpaid principal amount of such Lender's portion of such Incremental Term Loan and (ii) the aggregate unpaid principal amount of such Incremental Term Loan, and

(c) all other matters (including, without limitation, the indemnification obligations arising under Section 10.05) the percentage obtained by dividing (i) the unpaid principal amount of such Lender's portion of the Term Loan, by (ii) the aggregate unpaid principal amount of the Term Loan.

"Projections" means financial projections of the Parent and its Subsidiaries delivered pursuant to Section 6.01(g)(ii), as updated from time to time pursuant to Section 7.01(a)(ix).

"Real Property Deliverables" means each of the following agreements, instruments and other documents in respect of each Facility, each in form and substance reasonably satisfactory to the Collateral Agent:

(a) a Mortgage duly executed by the applicable Loan Party,

(b) evidence of the recording of each Mortgage in such office or offices as may be necessary or, in the reasonable opinion of the Collateral Agent, desirable to perfect the Lien purported to be created thereby or to otherwise protect the rights of the Collateral Agent and the Lenders thereunder;

(c) a Title Insurance Policy with respect to each Mortgage;

(d) a current ALTA survey and a surveyor's certificate, certified to the Collateral Agent and to the issuer of the Title Insurance Policy with respect thereto by a professional surveyor licensed in the state in which such Facility is located and reasonably satisfactory to the Collateral Agent;

(e) such other agreements, instruments, appraisals, ASTM 1527-13 Phase I Environmental Site Assessment and other documents (including guarantees and opinions of counsel) as the Collateral Agent may reasonably require, in each case, in form and substance reasonably satisfactory to the Collateral Agent.

"Recipient" means any Agent or any Lender, as applicable. "Register" has the meaning specified therefor in Section 12.07(f).

"Registered Intellectual Property" means Intellectual Property that is issued, registered, renewed or the subject of a pending application.

"Registered Loans" has the meaning specified therefor in Section 12.07(f).

"Regulation T", "Regulation U" and "Regulation X" mean, respectively, Regulations T, U and X of the Board or any successor, as the same may be amended or supplemented from time to time.

"Related Fund" means, with respect to any Person, an Affiliate of such Person, or a fund or account managed by such Person or an Affiliate of such Person.

"Related Parties" means, with respect to any Person, such Person's Affiliates and the direct and indirect equityholders, partners, directors, officers, employees, agents, consultants, trustees, administrators, managers, advisors, and representatives of such Person and of such Person's Affiliates.

"Release" means any spilling, leaking, pumping, pouring, emitting, emptying, discharging, injecting, escaping, leaching, seeping, migrating, dumping or disposing of any Hazardous Material (including the abandonment or discarding of barrels, containers and other closed receptacles containing any Hazardous Material) into the indoor or outdoor environment, including, without limitation, the movement of Hazardous Materials through or in the ambient air, soil, surface or ground water, or property.

"Remedial Action" means any action (a) to correct or address any actual, alleged or threatened non-compliance with any Environmental Law or Environmental Permit, or (b) to clean up, remove, remediate, contain, treat, monitor, assess, evaluate, investigate, prevent, minimize or in any other way address any environmental condition or the presence, Release or threatened Release of any Hazardous Material (including the performance of pre-remedial studies and investigations and post-remedial operation and maintenance activities).

"Reportable Event" means an event described in Section 4043 of ERISA (other than an event not subject to the provision for 30-day notice to the PBGC under the regulations promulgated under such Section).

"Required Lenders" means Lenders whose Pro Rata Shares (calculated in accordance with clause (c) of the definition thereof) aggregate at least 50.1%.

"Required Prepayment Date" shall have the meaning assigned to such term in Section 2.05(g).

"Requirements of Law" means, with respect to any Person, collectively, the common law and all federal, state, provincial, local, foreign, multinational or international laws, statutes, codes, treaties, standards, rules and regulations, guidelines, ordinances, orders, judgments, writs, injunctions, decrees (including administrative or judicial precedents or authorities) and the interpretation or administration

thereof by, and other determinations, directives, requirements or requests of, any Governmental Authority, in each case that are applicable to or binding upon such Person or any of its property or to which such Person or any of its property is subject. Notwithstanding the foregoing, with respect to each Loan Party and its Affiliates, "Requirements of Law" shall exclude (a) the Controlled Substances Act solely to the extent its then effective provisions forbid or restrict the conduct of Cannabis Activities that are in compliance with state and local law and (b) any other federal law which would be violated solely because a Cannabis Activity conducted in compliance with state and local law violates the then effective provisions of the Controlled Substances Act.

"Restricted Payment" means (a) the declaration or payment of any dividend or other distribution, direct or indirect, on account of any Equity Interests of any Loan Party or any of its Subsidiaries, now or hereafter outstanding, together with any payment or distribution pursuant to a "plan of division" under the Delaware Limited Liability Company Act or any comparable transaction under any similar law, (b) the making of any repurchase, redemption, retirement, defeasance, sinking fund or similar payment, purchase or other acquisition for value, direct or indirect, of any Equity Interests of any Loan Party or any direct or indirect parent of any Loan Party, now or hereafter outstanding, (c) the making of any payment to retire, or to obtain the surrender of, any outstanding warrants, options or other rights for the purchase or acquisition of shares of any class of Equity Interests of any Loan Party, now or hereafter outstanding, (d) the return of any Equity Interests to any shareholders or other equity holders of any Loan Party or any of its Subsidiaries, or any other distribution of property, assets, shares of Equity Interests, warrants, rights, options, obligations or securities thereto as such or (e) the payment of any management, consulting, monitoring or advisory fees or any other fees or expenses (including the reimbursement thereof by any Loan Party or any of its Subsidiaries) pursuant to any management, consulting, monitoring, advisory or other services agreement to any of the shareholders or other equityholders of any Loan Party or any of its Subsidiaries or other Affiliates, or to any other Subsidiaries or Affiliates of any Loan Party.

"Sale and Leaseback Transaction" means, with respect to the Parent or any of its Subsidiaries, any arrangement, directly or indirectly, with any Person whereby the Parent or any of its Subsidiaries shall sell or transfer any property used or useful in its business, whether now owned or hereafter acquired, and thereafter rent or lease such property or other property that it intends to use for substantially the same purpose or purposes as the property being sold or transferred, in each case, to a Person that is not an Affiliate of Holdings.

"Sanctioned Country" means, at any time, a country or territory that is the subject or target of any Sanctions that broadly prohibit dealings with that country or territory (which, as of the Effective Date, include Crimea, Cuba, Iran, North Korea, Sudan and Syria).

"Sanctioned Person" means, at any time, (a) any Person listed in OFAC's Specially Designated Nationals and Blocked Persons List, OFAC's Sectoral Sanctions Identification List, and any other Sanctions-related list of designated Persons maintained by OFAC, the U.S. Department of State, the United Nations Security Council, the European Union, or Her Majesty's Treasury of the United Kingdom, Germany, Canada, Australia, or other relevant sanctions authority, (b) a Person that resides in, is organized in or located in, or has a place of business in, a country or territory named on any list referred to in clause (a) of this definition or a country or territory that is designated as a "Non-Cooperative Jurisdiction" by the Financial Action Task Force on Money Laundering, or whose subscription funds are transferred from or through any such jurisdiction (each of the foregoing in this clause (b), a "Sanction Target"), or a Person that owns 50% or more of the Equity Interests of, or is otherwise controlled by, or is acting on behalf of, one or more Sanction Targets, (c) any Person with whom or with which a U.S. Person is prohibited from dealing under any of the Sanctions, or (d) any Person owned or controlled by any Person or Persons described in clause (a) or (b).

"Sanctions" means Requirements of Law concerning or relating to economic or financial sanctions or trade embargoes imposed, administered or enforced from time to time by OFAC, the U.S. Department of State, the European Union, or Her Majesty's Treasury of the United Kingdom, or other relevant sanctions authority.

"SEC" means the Securities and Exchange Commission or any other similar or successor agency of the Federal government administering the Securities Act.

"Secured Party" means any Agent and any Lender.

"Securities Act" means the Securities Act of 1933, as amended, or any similar Federal statute, and the rules and regulations of the SEC thereunder, all as the same shall be in effect from time to time.

"Securitization" has the meaning specified therefor in Section 12.07(l).

"Security Agreement" means a Pledge and Security Agreement, in form and substance reasonably satisfactory to the Collateral Agent, made by a Loan Party in favor of the Collateral Agent for the benefit of the Secured Parties securing the Obligations.

"Solvent" means, with respect to any Person on a particular date, that on such date (a) the fair value of the property of such Person is not less than the total amount of the liabilities of such Person, (b) the present fair salable value of the assets of such Person is not less than the amount that will be required to pay the probable liability of such Person on its existing debts as they become absolute and matured, (c) such Person is able to realize upon its assets and pay its debts and other liabilities, contingent obligations and other commitments as they mature in the normal course of business, (d) such Person does not intend to, and does not believe that it will, incur debts or liabilities beyond such Person's ability to pay as such debts and liabilities mature, and (e) such Person is not engaged in business or a transaction, and is not about to engage in business or a transaction, for which such Person's property would constitute unreasonably small capital.

"Specified Lender" means [REDACTED] and its Affiliates.

"Standard & Poor's" means Standard & Poor's Ratings Services, a division of S&P Global Inc. and any successor thereto.

"Subordinated Indebtedness" means Indebtedness of any Loan Party the terms of which (including, without limitation, payment terms, interest rates, covenants, remedies, defaults and other material terms) are reasonably satisfactory to the Collateral Agent and the Required Lenders and which has been expressly subordinated in right of payment to all Indebtedness of such Loan Party under the Loan Documents (a) by the execution and delivery of a subordination agreement, in form and substance reasonably satisfactory to the Collateral Agent and the Required Lenders, or (b) otherwise on terms and conditions reasonably satisfactory to the Collateral Agent and the Required Lenders.

"Subsidiary" means, with respect to any Person at any date, any corporation, limited or general partnership, limited liability company, trust, estate, association, joint venture or other business entity (a) the accounts of which would be consolidated with those of such Person in such Person's consolidated financial statements if such financial statements were prepared in accordance with GAAP or (b) of which more than 50% of (i) the outstanding Equity Interests having (in the absence of contingencies) ordinary voting power to elect a majority of the Board of Directors of such Person, (ii) in the case of a partnership or limited liability company, the interest in the capital or profits of such partnership or limited

liability company or (iii) in the case of a trust, estate, association, joint venture or other entity, the beneficial interest in such trust, estate, association or other entity business is, at the time of determination, owned or controlled directly or indirectly through one or more intermediaries, by such Person. References to a Subsidiary shall mean a Subsidiary of the Parent unless the context expressly provides otherwise.

"Tax Distributions" has the meaning specified therefor in the definition of "Permitted Restricted Payments".

"Taxes" means all present or future taxes, levies, imposts, duties, deductions, withholdings (including backup withholding), assessments, fees or other charges imposed by any Governmental Authority, including any interest, additions to tax or penalties applicable thereto.

"Term Loan" means, collectively, the loans made by the Lenders to the Borrower pursuant to Section 2.01(a), and any Incremental Term Loans made by the applicable Lenders to the Borrower pursuant to Section 2.12.

"Term Loan Commitment" means, with respect to each Lender, the commitment of such Lender to make the Term Loan to the Borrower in the amount set forth in Schedule 1.01(A) hereto or in the Assignment and Acceptance pursuant to which such Lender became a Lender under this Agreement, as the same may be terminated or reduced from time to time in accordance with the terms of this Agreement.

"Termination Date" means the first date on which all of the Obligations (other than Contingent Indemnity Obligations) are paid in full in cash.

"Title Insurance Policy" means a mortgagee's loan policy, in form and substance reasonably satisfactory to the Collateral Agent, together with all endorsements made from time to time thereto, issued to the Collateral Agent by or on behalf of a title insurance company selected by or otherwise reasonably satisfactory to the Collateral Agent, insuring the Lien created by a Mortgage in an amount and on terms and with such endorsements reasonably satisfactory to the Collateral Agent, delivered to the Collateral Agent.

"Total Term Loan Commitment" means the sum of the amounts of the Lenders' Term Loan Commitments.

"UCC Filing Authorization Letter" means a letter duly executed by each Loan Party authorizing the Collateral Agent to file appropriate financing statements on Form UCC-1 without the signature of such Loan Party in such office or offices as may be necessary or, in the reasonable opinion of the Collateral Agent, desirable to perfect the security interests purported to be created by each Security Agreement and each Mortgage.

"Uniform Commercial Code" or "UCC" has the meaning specified therefor in Section 1.04.

"U.S. Person" means any Person that is a "United States Person" as defined in Section 7701(a)(30) of the Internal Revenue Code.

"USA PATRIOT Act" means the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism (PATRIOT) Act of 2001 (Title III of Pub. L. 107-56, Oct. 26, 2001)) as amended by the USA Patriot Improvement and Reauthorization Act of 2005 (Pub. L. 109-177, March 9, 2006) and as the same may have been or may be further renewed, extended, amended, or replaced.

"Waivable Mandatory Prepayment" shall have the meaning assigned to such term in Section 2.05(g).

"WARN" has the meaning specified therefor in Section 6.01(p).

"Withholding Agent" means any Loan Party and the Administrative Agent.

"Working Capital" means, with respect to any Person at any date of determination, the current assets (other than cash and cash equivalents) of such Person at such time minus the current liabilities (other than the current portion of long-term Indebtedness) of such Person at such time.

Section 1.02 Terms Generally. The definitions of terms herein shall apply equally to the singular and plural forms of the terms defined. Whenever the context may require, any pronoun shall include the corresponding masculine, feminine and neuter forms. The words "include", "includes" and "including" shall be deemed to be followed by the phrase "without limitation". The word "will" shall be construed to have the same meaning and effect as the word "shall". Unless the context requires otherwise, (a) any definition of or reference to any agreement, instrument or other document herein shall be construed as referring to such agreement, instrument or other document as from time to time amended, supplemented or otherwise modified (subject to any restrictions on such amendments, supplements or modifications set forth herein), (b) any reference herein to any Person shall be construed to include such Person's successors and assigns, (c) the words "herein", "hereof" and "hereunder", and words of similar import, shall be construed to refer to this Agreement in its entirety and not to any particular provision hereof, (d) all references herein to Articles, Sections, Exhibits and Schedules shall be construed to refer to Articles and Sections of, and Exhibits and Schedules to, this Agreement and (e) the words "asset" and "property" shall be construed to have the same meaning and effect and to refer to any right or interest in or to assets and properties of any kind whatsoever, whether real, personal or mixed and whether tangible or intangible.

Section 1.03 Certain Matters of Construction. References in this Agreement to "determination" by any Agent include good faith estimates by such Agent (in the case of quantitative determinations) and good faith beliefs by such Agent (in the case of qualitative determinations). A Default or Event of Default shall be deemed to exist at all times during the period commencing on the date that such Default or Event of Default occurs to the date on which such Default or Event of Default is waived in writing pursuant to this Agreement or, in the case of a Default, is cured within any period of cure expressly provided for in this Agreement; and an Event of Default shall "continue" or be "continuing" until such Event of Default has been waived in writing by the Required Lenders. Any Lien referred to in this Agreement or any other Loan Document as having been created in favor of any Agent, any agreement entered into by any Agent pursuant to this Agreement or any other Loan Document, any payment made by or to or funds received by any Agent pursuant to or as contemplated by this Agreement or any other Loan Document, or any act taken or omitted to be taken by any Agent, shall, unless otherwise expressly provided, be created, entered into, made or received, or taken or omitted, for the benefit or account of the Agents and the Lenders. Wherever the phrase "to the knowledge of any Loan Party" or words of similar import relating to the knowledge or the awareness of any Loan Party are used in this Agreement or any other Loan Document, such phrase shall mean and refer to (i) the actual knowledge of a senior officer of any Loan Party or (ii) the knowledge that a senior officer would have obtained if such officer had engaged in good faith and diligent performance of such officer's duties, including the making of such reasonably specific inquiries as may be necessary of the employees or agents of such Loan Party and a good faith attempt to ascertain the existence or accuracy of the matter to which such phrase relates. All covenants hereunder shall be given independent effect so that if a particular action or condition is not permitted by any of such covenants, the fact that it would be permitted by an exception to, or otherwise within the limitations of, another covenant shall not avoid the occurrence of a default if such action is taken or condition exists. In addition, all representations and warranties hereunder shall be given independent effect so that if a particular

representation or warranty proves to be incorrect or is breached, the fact that another representation or warranty concerning the same or similar subject matter is correct or is not breached will not affect the incorrectness of a breach of a representation or warranty hereunder.

Section 1.04 Accounting and Other Terms.

(a) Unless otherwise expressly provided herein, each accounting term used herein shall have the meaning given it under GAAP. For purposes of determining compliance with any incurrence or expenditure tests set forth in Section 7.01 and Section 7.02, any amounts so incurred or expended (to the extent incurred or expended in a currency other than Dollars) shall be converted into Dollars on the basis of the exchange rates (as shown on the Bloomberg currency page for such currency or, if the same does not provide such exchange rate, by reference to such other publicly available service for displaying exchange rates as may be reasonably selected by the Agents or, in the event no such service is selected, on such other basis as is reasonably satisfactory to the Required Lenders) as in effect on the date of such incurrence or expenditure under any provision of any such Section that has an aggregate Dollar limitation provided for therein (and to the extent the respective incurrence or expenditure test regulates the aggregate amount outstanding at any time and it is expressed in terms of Dollars, all outstanding amounts originally incurred or spent in currencies other than Dollars shall be converted into Dollars on the basis of the exchange rates (as shown on the Bloomberg currency page for such currency or, if the same does not provide such exchange rate, by reference to such other publicly available service for displaying exchange rates as may be reasonably selected by the Agents or, in the event no such service is selected, on such other basis as is reasonably satisfactory to the Required Lenders) as in effect on the date of any new incurrence or expenditures made under any provision of any such Section that regulates the Dollar amount outstanding at any time). Notwithstanding the foregoing, (i) with respect to the accounting for leases as either operating leases or capital leases and the impact of such accounting in accordance with FASB ASC 842 on the definitions and covenants herein, GAAP as in effect on December 31, 2018 shall be applied, and (ii) for purposes of determining compliance with any covenant (including the computation of any financial covenant) contained herein, Indebtedness of the Parent and its Subsidiaries shall be deemed to be carried at 100% of the outstanding principal amount thereof, and the effects of FASB ASC 825 and FASB ASC 470-20 on financial liabilities shall be disregarded.

(b) All terms used in this Agreement which are defined in Article 8 or Article 9 of the Uniform Commercial Code as in effect from time to time in the State of New York (the "Uniform Commercial Code" or the "UCC") and which are not otherwise defined herein shall have the same meanings herein as set forth therein, provided that terms used herein which are defined in the Uniform Commercial Code as in effect in the State of New York on the date hereof shall continue to have the same meaning notwithstanding any replacement or amendment of such statute except as the Collateral Agent may otherwise determine.

Section 1.05 Time References. Unless otherwise indicated herein, all references to time of day refer to Eastern Standard Time or Eastern daylight saving time, as in effect in New York City on such day. For purposes of the computation of a period of time from a specified date to a later specified date, the word "from" means "from and including" and the words "to" and "until" each means "to but excluding"; provided, however, that with respect to a computation of fees or interest payable to any Secured Party, such period shall in any event consist of at least one full day.

ARTICLE II

THE LOANS

Section 2.01 Commitments. (a) Subject to the terms and conditions and relying upon the representations and warranties herein set forth, each Lender severally agrees to make the Term Loan to the Borrower on the Effective Date, in an aggregate principal amount not to exceed the amount of such Lender's Term Loan Commitment (and subject to Section 2.01(c) below).

(b) Notwithstanding the foregoing, the aggregate principal amount of the Term Loan made on the Effective Date shall not exceed the Total Term Loan Commitment (and is subject to Section 2.01(c) below). Any principal amount of the Term Loan which is repaid or prepaid may not be reborrowed.

(c) Notwithstanding anything to the contrary herein, the Term Loan made on the Effective Date shall be subject to original issue discount of [***]%.

Section 2.02 Making the Loans. (a) The Borrower shall give the Administrative Agent prior written notice (in substantially the form of Exhibit C hereto (a "Notice of Borrowing")), not later than 12:00 noon (New York City time) on the date which is 10 Business Days prior to the date of the proposed Loan (or such shorter period as the Administrative Agent is willing to accommodate from time to time, but in no event later than 12:00 noon (New York City time) on the borrowing date of the proposed Loan). Such Notice of Borrowing shall be irrevocable and shall specify (i) the principal amount of the proposed Loan, and (ii) the proposed borrowing date, which, other than with respect to the funding of any Incremental Term Loans, must be the Effective Date. Administrative Agent and the Lenders may act without liability upon the basis of written notice believed by the Administrative Agent in good faith to be from the Borrower (or from any Authorized Officer thereof designated in writing purportedly from the Borrower to the Administrative Agent). The Administrative Agent and each Lender shall be entitled to rely conclusively on any Authorized Officer's authority to request a Loan on behalf of the Borrower until the Administrative Agent receives written notice to the contrary. The Administrative Agent and the Lenders shall have no duty to verify the authenticity of the signature appearing on any written Notice of Borrowing.

(b) Each Notice of Borrowing pursuant to this Section 2.02 shall be irrevocable and the Borrower shall be bound to make a borrowing in accordance therewith.

(c) Except as otherwise provided in this Section 2.02(c), all Loans under this Agreement shall be made by the Lenders simultaneously and proportionately to their Pro Rata Shares of the Total Term Loan Commitment, it being understood that no Lender shall be responsible for any default by any other Lender in that other Lender's obligations to make a Loan requested hereunder, nor shall the Commitment of any Lender be increased or decreased as a result of the default by any other Lender in that other Lender's obligation to make a Loan requested hereunder, and each Lender shall be obligated to make the Loans required to be made by it by the terms of this Agreement regardless of the failure by any other Lender.

Section 2.03 Repayment of Loans; Evidence of Debt; Late Payment Charge. (a) The outstanding principal of all Term Loans shall be due and payable on the Final Maturity Date or, if earlier, on the date on which they are declared due and payable pursuant to the terms of this Agreement.

(b) If any principal, interest or any other sum due under the Loan Documents, other than the payment of principal due on the Final Maturity Date, is not paid by the Borrower within five (5) Business Days of the date on which it is due, to the extent permitted by law, the Borrower shall pay to the Administrative Agent upon demand an amount equal to [***] percent ([***]%) of such unpaid sum in order to defray the expense incurred by the Lenders in handling and processing such delinquent payment and to compensate the Lenders for the loss of the use of such delinquent payment. Any such amount shall be Obligations secured by the Security Agreement and the other Loan Documents.

(c) Each Lender shall maintain in accordance with its usual practice an account or accounts evidencing the Indebtedness of the Borrower to such Lender resulting from each Loan made by such Lender, including the amounts of principal and interest payable and paid to such Lender from time to time hereunder.

(d) The Administrative Agent shall maintain accounts in which it shall record (i) the amount of each Loan made hereunder, (ii) the amount of any principal or interest due and payable or to become due and payable from the Borrower to each Lender hereunder and (iii) the amount of any sum received by the Administrative Agent hereunder for the account of the Lenders and each Lender's share thereof.

(e) The entries made in the accounts maintained pursuant to Section 2.03(c) or Section 2.03(d) shall be prima facie evidence of the existence and amounts of the obligations recorded therein; provided that (i) the failure of any Lender or the Administrative Agent to maintain such accounts or any error therein shall not in any manner affect the obligation of the Borrower to repay the Loans in accordance with the terms of this Agreement and (ii) in the event of any conflict between the entries made in the accounts maintained pursuant to Section 2.03(c) and the accounts maintained pursuant to Section 2.03(d), the accounts maintained pursuant to Section 2.03(d) shall govern and control.

(f) Any Lender may request that Loans made by it be evidenced by a promissory note. In such event, the Borrower shall execute and deliver to such Lender a promissory note payable to such Lender (or, if requested by such Lender, to such Lender and its registered assigns) in a form furnished by the Collateral Agent and reasonably acceptable to the Borrower. Thereafter, the Loans evidenced by such promissory note and interest thereon shall at all times (including after assignment pursuant to Section 12.07) be represented by one or more promissory notes in such form payable to the payee named therein (or, if such promissory note is a registered note, to such payee and its registered assigns).

Section 2.04 Interest.

(a) Term Loan. Subject to the terms of this Agreement, the Term Loan shall bear interest on the principal amount thereof from time to time outstanding, from the date of the Term Loan until repaid, at a rate per annum equal to [***]%.

(b) Default Interest. To the extent permitted by law and notwithstanding anything to the contrary in this Section, upon notice from the Administrative Agent after the occurrence and during the continuance of an Event of Default, the principal of, and all accrued and overdue interest on, all Loans, and overdue fees, indemnities or any other Obligations of the Loan Parties under this Agreement and the other Loan Documents, shall bear interest, from the date of such notice (or from the date such Event of Default occurred, if elected by the Administrative Agent) until the date such Event of Default is cured or waived in writing in accordance herewith, at a rate per annum equal at all times to the Post-Default Rate.

(c) Interest Payment. Interest on each Loan shall be payable quarterly, in arrears, on the first day of each Fiscal Quarter, commencing with the first day of the Fiscal Quarter following the Fiscal Quarter in which such Loan is made, and at maturity (whether upon demand, by acceleration or otherwise. Interest at the Post-Default Rate shall be payable on demand. The Borrower hereby authorizes the Administrative Agent to, and the Administrative Agent may, from time to time, charge the Loan Account pursuant to Section 4.01 with the amount of any interest payment due hereunder.

(d) General. All interest shall be computed on the basis of a year of 360 days for the actual number of days, including the first day but excluding the last day, elapsed.

Section 2.05 Reduction of Commitment; Prepayment of Loans.

(a) Reduction of Commitments. The Term Loan Commitment shall terminate at 5:00 p.m. (New York City time) on the Effective Date.

(b) Optional Prepayment.

(i) [Reserved].

(ii) Term Loan. The Borrower may, at any time after the first anniversary of the Effective Date and from time to time thereafter, upon at least five (5) Business Days prior written notice to the Administrative Agent, prepay the principal of the Term Loan, in whole or in part. No optional prepayment may be made pursuant to this Section 2.05(b)(ii) prior to the first anniversary of the Effective Date; provided that in the event any such optional prepayment is made with the consent of the Administrative Agent, such prepayment shall be accompanied by the payment of (A) accrued interest to the date of such payment on the amount prepaid and (B) the Applicable Premium payable in connection with such prepayment of the Term Loan. Each such prepayment shall be applied against the remaining installments of principal due on the Term Loan in the inverse order of maturity.

(iii) Termination of Agreement. The Borrower may, upon at least 10 (ten) Business Days' prior written notice to the Administrative Agent, terminate this Agreement by paying to the Administrative Agent, in cash, the Obligations in full, plus the Applicable Premium payable in connection with such termination of this Agreement. If the Borrower has sent a notice of termination pursuant to this Section 2.05(b)(iii), then the Borrower shall be obligated to repay the Obligations, in full, plus the Applicable Premium payable in connection with such termination of this Agreement on the date set forth as the date of termination of this Agreement in such notice.

(c) Mandatory Prepayment.

(i) On the third Business Day after the delivery to the Agents and the Lenders of audited annual financial statements pursuant to Section 7.01(a)(iii), commencing with the delivery to the Agents and the Lenders of the financial statements for the Fiscal Year ended December 31, 2022 or, if such financial statements are not delivered to the Agents and the Lenders on the date such statements are required to be delivered pursuant to Section 7.01(a)(iii), on the third Business Day after the date such statements are required to be delivered to the Agents and the Lenders pursuant to Section 7.01(a)(iii), the Borrower shall prepay the outstanding principal amount of the Loans in accordance with Section 2.05(d) in an amount equal to the excess of [***]% of the Excess Cash Flow of the Parent and its Subsidiaries for such Fiscal Year over voluntary prepayments of the Term Loan made since the date the audited annual financial statements were required to be delivered pursuant to Section 7.01(a)(iii) for the previous Fiscal Year.

(ii) Within three Business Days after any Disposition (excluding Dispositions which qualify as Permitted Dispositions under clauses (a), (b), (c), (d), (e), (f) or (g) of the definition of Permitted Disposition) by any Loan Party or its Subsidiaries, the Borrower shall prepay the outstanding principal amount of the Loans in accordance with Section 2.05(d) in an amount equal to 100% of the Net Cash Proceeds received by such Person in connection with such Disposition to the extent that the aggregate amount of Net Cash Proceeds received by all Loan Parties and their Subsidiaries (and not paid to the Administrative Agent as a prepayment of the Loans) shall exceed for all such Dispositions $[***] in any Fiscal Year. Nothing contained in this Section 2.05(c)(ii) shall permit any Loan Party or any of its Subsidiaries to make a Disposition of any property other than in accordance with Section 7.02(c)(ii)

(iii) Upon the issuance or incurrence by any Loan Party or any of its Subsidiaries of any Indebtedness (other than Permitted Indebtedness), the Borrower shall prepay the outstanding amount of the Loans in accordance with Section 2.05(d) in an amount equal to 100% of the Net Cash Proceeds received by such Person in connection therewith. The provisions of this Section 2.05(c)(iii) shall not be deemed to be implied consent to any such issuance, incurrence or sale otherwise prohibited by the terms and conditions of this Agreement.

(iv) Within three Business Days after the receipt by any Loan Party or any of its Subsidiaries of any Extraordinary Receipts, the Borrower shall prepay the outstanding principal of the Loans in accordance with Section 2.05(d) in an amount equal to 100% of the Net Cash Proceeds received by such Person in connection therewith.

(v) [Reserved].

(vi) Notwithstanding the foregoing, with respect to Net Cash Proceeds received by any Loan Party or any of its Subsidiaries in connection with a Disposition or the receipt of Extraordinary Receipts consisting of insurance proceeds or condemnation awards that are required to be used to prepay the Obligations pursuant to Section 2.05(c)(ii) or Section 2.05(c)(iv), as the case may be, the Net Cash Proceeds from all such Dispositions and Extraordinary Receipts shall not be required to be so used to prepay the Obligations to the extent that such Net Cash Proceeds are used to replace, repair or restore properties or assets (other than current assets) used in such Person's business, provided that, (A) no Default or Event of Default has occurred and is continuing on the date such Person receives such Net Cash Proceeds, (B) the Borrower delivers a certificate to the Administrative Agent within 5 days after such Disposition or loss, destruction or taking, as the case may be, stating that such Net Cash Proceeds shall be used to replace, repair or restore properties or assets used in such Person's business within a period specified in such certificate not to exceed 365 days after the date of receipt of such Net Cash Proceeds (which certificate shall set forth estimates of the Net Cash Proceeds to be so expended), (C) such Net Cash Proceeds are deposited in an account subject to a Control Agreement, and (D) upon the earlier of (1) the expiration of the period specified in the relevant certificate furnished to the Administrative Agent pursuant to clause (B) above or (2) the occurrence of a Default or an Event of Default, such Net Cash Proceeds, if not theretofore so used, shall be used to prepay the Obligations in accordance with Section 2.05(c)(ii) or Section 2.05(c)(iv) as applicable.

(d) Application of Payments. Each prepayment pursuant to subsections (c)(i), (c)(ii), (c)(iii), and (c)(iv) above shall be applied to the Term Loan, until paid in full. Notwithstanding the foregoing, after the occurrence and during the continuance of an Event of Default, if the Administrative Agent has elected, or has been directed by the Collateral Agent or the Required Lenders, to apply payments in respect of any Obligations in accordance with Section 4.03(b), prepayments required under Section 2.05(c) shall be applied in the manner set forth in Section 4.03(b).

(e) Interest and Fees. Any prepayment made pursuant to this Section 2.05 shall be accompanied by (i) accrued interest on the principal amount being prepaid to the date of prepayment, (ii) any Funding Losses payable pursuant to Section 2.08 and (iii) the Applicable Premium payable in connection with such prepayment of the Loans to the extent required under Section 2.06(a).

(f) Cumulative Prepayments. Except as otherwise expressly provided in this Section 2.05, payments with respect to any subsection of this Section 2.05 are in addition to payments made or required to be made under any other subsection of this Section 2.05.

(g) Waivable Mandatory Prepayments. Anything contained herein to the contrary notwithstanding, in the event that the Borrower is required to make any mandatory prepayment (a

"Waivable Mandatory Prepayment") of the Loans pursuant to Section 2.05(c), not less than 2 Business Days prior to the date on which the Borrower is required to make such Waivable Mandatory Prepayment (the "Required Prepayment Date"), the Borrower shall notify the Administrative Agent in writing of the amount of such prepayment, and the Administrative Agent will promptly thereafter notify each Lender of the amount of such Lender's Pro Rata Share of such Waivable Mandatory Prepayment and such Lender's option to refuse such amount. Each such Lender may exercise such option by giving written notice to the Borrower and the Administrative Agent of its election to do so on or before 12:00 noon (New York City time) one Business Day prior to the Required Prepayment Date (it being understood that any Lender that does not notify the Borrower and the Administrative Agent of its election to exercise such option on or before 12:00 noon (New York City time) one Business Day prior to the Required Prepayment Date shall be deemed to have elected, as of such date, not to exercise such option). On the Required Prepayment Date, the Borrower shall pay to the Administrative Agent the amount of the Waivable Mandatory Prepayment, which amount shall be applied (i) in an amount equal to that portion of the Waivable Mandatory Prepayment payable to those Lenders that have elected not to exercise such option, to prepay the Loans of such Lenders (which prepayment shall be applied to prepay the outstanding principal amount of the Obligations in accordance with Section 2.05(d)) and (ii) to the extent of any excess, to the Borrower for working capital and general corporate purposes.

Section 2.06 Fees.

(a) Applicable Premium.

(i) Upon the occurrence of an Applicable Premium Trigger Event, the Borrower shall pay to the Administrative Agent, for the account of the Lenders in accordance with their Pro Rata Shares, the Applicable Premium.

(ii) Any Applicable Premium payable in accordance with this Section 2.06(a) shall be presumed to be equal to the liquidated damages sustained by the Lenders as the result of the occurrence of the Applicable Premium Trigger Event and the Loan Parties agree that it is reasonable under the circumstances currently existing. THE LOAN PARTIES EXPRESSLY WAIVE THE PROVISIONS OF ANY PRESENT OR FUTURE STATUTE OR LAW THAT PROHIBITS OR MAY PROHIBIT THE COLLECTION OF THE FOREGOING APPLICABLE PREMIUM IN CONNECTION WITH ANY ACCELERATION.

(iii) The Loan Parties expressly agree that: (A) the Applicable Premium is reasonable and is the product of an arm's length transaction between sophisticated business people, ably represented by counsel; (B) the Applicable Premium shall be payable notwithstanding the then prevailing market rates at the time payment is made; (C) there has been a course of conduct between the Lenders and the Loan Parties giving specific consideration in this transaction for such agreement to pay the Applicable Premium; (D) the Loan Parties shall be estopped hereafter from claiming differently than as agreed to in this paragraph; (E) their agreement to pay the Applicable Premium is a material inducement to Lenders to provide the Commitments and make the Loans, and (F) the Applicable Premium represents a good faith, reasonable estimate and calculation of the lost profits or damages of the Agents and the Lenders and that it would be impractical and extremely difficult to ascertain the actual amount of damages to the Agents and the Lenders or profits lost by the Agents and the Lenders as a result of such Applicable Premium Trigger Event.

(iv) Nothing contained in this Section 2.06(a) shall permit any prepayment of the Loans or reduction of the Commitments not otherwise permitted by the terms of this Agreement or any other Loan Document.

Section 2.07 [Reserved].

Section 2.08 Funding Losses.

(a) The Borrower agrees to compensate the Lenders for any loss, cost or expense incurred by it, including, without limitation, any breakage fee or any cost or expense incurred by the Lenders by reason of the liquidation or reemployment of deposits or other funds acquired to maintain the Term Loan, as a result of a default by the Borrower in making any prepayment after the Borrower has given a notice thereof in accordance with the provisions of this Agreement (collectively, "Funding Losses").

(b) The Administrative Agent will furnish to the Borrower a certificate setting forth the basis (in reasonable detail) and amount of each request by any Lender for compensation under this Section 2.08. The amount of such loss, cost or expense set forth on such certificate shall be conclusive and binding for all purposes, absent manifest error.

Section 2.09 Taxes. (a) Any and all payments by or on account of any obligation of any Loan Party hereunder or under any other Loan Document shall be made free and clear of and without deduction or withholding for any and all Taxes, except as required by applicable law. If any applicable law (as determined in the good faith discretion of any Withholding Agent) requires the deduction or withholding of any Taxes from or in respect of any such payment, (i) the applicable Withholding Agent shall make such deduction or withholding, (ii) the applicable Withholding Agent shall pay the full amount deducted to the relevant Governmental Authority in accordance with applicable law and (iii) if such Tax is an Indemnified Tax, then the sum payable by the applicable Loan Party shall be increased by the amount necessary such that after making all required deductions and withholdings (including deductions and withholdings applicable to additional sums payable under this Section 2.09) the applicable Recipient receives the amount equal to the sum it would have received had no such deduction or withholding been made.

(b) In addition, each Loan Party shall pay to the relevant Governmental Authority in accordance with applicable law any Other Taxes, or at the option of the Administrative Agent timely reimburse it for the payment of any Other Taxes by any Secured Party. Each Loan Party shall deliver to each Secured Party official receipts in respect of any Taxes or Other Taxes payable hereunder promptly after payment of such Taxes or Other Taxes.

(c) The Loan Parties hereby jointly and severally indemnify and agree to hold each Secured Party harmless from and against Indemnified Taxes and Other Taxes (including, without limitation, Indemnified Taxes and Other Taxes imposed on any amounts payable under this Section 2.09) paid or payable by such Secured Party or required to be withheld or deducted from a payment to such Secured Party and any expenses arising therefrom or with respect thereto, whether or not such Indemnified Taxes or Other Taxes were correctly or legally asserted. Such indemnification shall be paid within 10 Business Days from the date on which any such Person makes written demand therefore specifying in reasonable detail the nature and amount of such Indemnified Taxes or Other Taxes. A certificate as to the amount of such payment or liability delivered to the Borrower by a Secured Party (with a copy to the Administrative Agent) or by the Administrative Agent on its own behalf or on behalf of another Secured Party shall be conclusive absent manifest error.

(d) (i) Any Lender that is entitled to an exemption from or reduction of withholding Tax with respect to payments made under any Loan Document shall deliver to the Borrower and the Administrative Agent, at the time or times reasonably requested by the Borrower or the Administrative Agent, such properly completed and executed documentation reasonably requested by the Borrower or the Administrative Agent as will permit such payments to be made without withholding or at a reduced rate of withholding. In addition, any Lender, if reasonably requested by the Borrower or the

Administrative Agent, shall deliver such other documentation prescribed by applicable law or reasonably requested by the Borrower or the Administrative Agent as will enable the Borrower or the Administrative Agent to determine whether or not such Lender is subject to backup withholding or information reporting requirements. Notwithstanding anything to the contrary in the preceding two sentences, the completion, execution and submission of such documentation (other than such documentation set forth in Section 2.09(d)(ii)(A), (ii)(B) and (ii)(D) below) shall not be required if in the Lender's reasonable judgment such completion, execution or submission would subject such Lender to any material unreimbursed cost or expense or would materially prejudice the legal or commercial position of such Lender.

(ii) Without limiting the generality of the foregoing,

(A) any Lender that is a U.S. Person shall deliver to the Borrower and the Administrative Agent on or prior to the date on which such Lender becomes a Lender under this Agreement (and from time to time thereafter upon the reasonable request of the Borrower or the Administrative Agent), executed copies of IRS Form W-9 certifying that such Lender is exempt from U.S. federal backup withholding tax;

(B) any Lender that is not a U.S. Person (a "Foreign Lender") shall, to the extent it is legally entitled to do so, deliver to the Borrower and the Administrative Agent (in such number of copies as shall be reasonably requested by the recipient) on or prior to the date on which such Foreign Lender becomes a Lender under this Agreement (and from time to time thereafter upon the reasonable request of the Borrower or the Administrative Agent), whichever of the following is applicable:

(1) in the case of a Foreign Lender claiming the benefits of an income tax treaty to which the United States is a party (x) with respect to payments of interest under any Loan Document, executed copies of IRS Form W-8BEN or W-8BEN-E establishing an exemption from, or reduction of, U.S. federal withholding Tax pursuant to the "interest" article of such tax treaty and (y) with respect to any other applicable payments under any Loan Document, IRS Form W-8BEN or W-8BEN-E establishing an exemption from, or reduction of, U.S. federal withholding Tax pursuant to the "business profits" or "other income" article of such tax treaty;

(2) executed copies of IRS Form W-8ECI;

(3) in the case of a Foreign Lender claiming the benefits of the exemption for portfolio interest under Section 881(c) of the Internal Revenue Code, (x) a certificate substantially in the form of Exhibit 2.09(d)-1 hereto to the effect that such Foreign Lender is not a "bank" within the meaning of Section 881(c)(3)(A) of the Internal Revenue Code, a "10 percent shareholder" of the Borrower within the meaning of Section 881(c)(3)(B) of the Internal Revenue Code, or a "controlled foreign corporation" described in Section 881(c)(3)(C) of the Internal Revenue Code (a "U.S. Tax Compliance Certificate") and (y) executed copies of IRS Form W-8BEN or W-8BEN-E; or

(4) to the extent a Foreign Lender is not the beneficial owner, executed copies of IRS Form W-8IMY, accompanied by IRS Form W-8ECI, IRS Form W-8BEN or W-8BEN-E, a U.S. Tax Compliance Certificate substantially in the form of Exhibit 2.09(d)-2 or Exhibit 2.09(d)-3, IRS Form W-9, or other certification documents from each beneficial owner, as applicable; provided that if the Foreign Lender is a partnership and one or more direct or indirect partners of such Foreign Lender are claiming the portfolio interest exemption, such Foreign Lender may provide a U.S. Tax Compliance Certificate substantially in the form of Exhibit 2.09(d)-4 on behalf of each such direct and indirect partner;

(C) any Foreign Lender shall, to the extent it is legally entitled to do so, deliver to the Borrower and the Administrative Agent (in such number of copies as shall be reasonably requested by the recipient) on or prior to the date on which such Foreign Lender becomes a Lender under this Agreement (and from time to time thereafter upon the reasonable request of the Borrower or the Administrative Agent), executed copies of any other form prescribed by applicable law as a basis for claiming exemption from or a reduction in U.S. federal withholding Tax, duly completed, together with such supplementary documentation as may be prescribed by applicable law to permit the Borrower or the Administrative Agent to determine the withholding or deduction required to be made; and

(D) if a payment made to a Lender under any Loan Document would be subject to U.S. federal withholding Tax imposed by FATCA if such Lender were to fail to comply with the applicable reporting requirements of FATCA (including those contained in Section 1471(b) or 1472(b) of the Internal Revenue Code, as applicable), such Lender shall deliver to the Borrower and the Administrative Agent at the time or times prescribed by law and at such time or times reasonably requested by the Borrower or the Administrative Agent such documentation prescribed by applicable law (including as prescribed by Section 1471(b)(3)(C)(i) of the Internal Revenue Code) and such additional documentation reasonably requested by the Borrower or the Administrative Agent as may be necessary for the Borrower and the Administrative Agent to comply with their obligations under FATCA and to determine that such Lender has complied with such Lender's obligations under FATCA or to determine the amount to deduct and withhold from such payment. Solely for purposes of this clause (D), "FATCA" shall include any amendments made to FATCA after the date of this Agreement.

Each Lender agrees that if any form or certification it previously delivered expires or becomes obsolete or inaccurate in any respect, it shall update such form or certification or promptly notify the Administrative Agent in writing of its legal inability to do so.

(e) Each Lender shall severally indemnify the Administrative Agent, within 10 days after demand therefor, for (i) any Indemnified Taxes attributable to such Lender (but only to the extent that any Loan Party has not already indemnified the Administrative Agent for such Indemnified Taxes and without limiting the obligation of the Loan Parties to do so), (ii) any Taxes attributable to such Lender's failure to comply with the provisions of Section 12.07(i) relating to the maintenance of a Participant Register and (iii) any Excluded Taxes attributable to such Lender, in each case, that are payable or paid by the Administrative Agent in connection with any Loan Document, and any reasonable expenses arising therefrom or with respect thereto, whether or not such Taxes were correctly or legally imposed or asserted by the relevant Governmental Authority. A certificate as to the amount of such payment or liability delivered to any Lender by the Administrative Agent shall be conclusive absent manifest error. Each Lender hereby authorizes the Administrative Agent to set off and apply any and all amounts at any time owing to such Lender under any Loan Document or otherwise payable by the Administrative Agent to the Lender from any other source against any amount due to the Administrative Agent under this paragraph (e).

(f) If any party determines, in its sole discretion exercised in good faith, that it has received a refund of any Taxes as to which it has been indemnified pursuant to this Section 2.09 (including by the payment of additional amounts pursuant to this Section 2.09), it shall pay to the indemnifying party an amount equal to such refund (but only to the extent of indemnity payments made under this Section 2.09 with respect to the Taxes giving rise to such refund), net of all out-of-pocket expenses (including Taxes) of such indemnified party and without interest (other than any interest paid by the relevant Governmental Authority with respect to such refund). Such indemnifying party, upon the request of such indemnified party, shall repay to such indemnified party the amount paid over pursuant to this paragraph (f) (plus any penalties, interest or other charges imposed by the relevant Governmental Authority) in the event that such indemnified party is required to repay such refund to such Governmental Authority. Notwithstanding

anything to the contrary in this paragraph (f), in no event will the indemnified party be required to pay any amount to an indemnifying party pursuant to this paragraph (f) the payment of which would place the indemnified party in a less favorable net after-Tax position than the indemnified party would have been in if the Tax subject to indemnification and giving rise to such refund had not been deducted, withheld or otherwise imposed and the indemnification payments or additional amounts with respect to such Tax had never been paid. This paragraph shall not be construed to require any indemnified party to make available its Tax returns (or any other information relating to its Taxes that it deems confidential) to the indemnifying party or any other Person.

(g) The obligations of the Loan Parties under this Section 2.09 shall survive the termination of this Agreement and the payment of the Loans and all other amounts payable hereunder.

Section 2.10 Increased Costs and Reduced Return. (a) If any Secured Party shall have reasonably determined that any Change in Law shall (i) subject such Secured Party, or any Person controlling such Secured Party to any tax, duty or other charge with respect to this Agreement or any Loan made by such Agent or such Lender, or change the basis of taxation of payments to such Secured Party or any Person controlling such Secured Party of any amounts payable hereunder (except for taxes on the overall net income of such Secured Party or any Person controlling such Secured Party), (ii) impose, modify or deem applicable any reserve, special deposit or similar requirement against any Loan, or against assets of or held by, or deposits with or for the account of, or credit extended by, such Secured Party or any Person controlling such Secured Party or (iii) impose on such Secured Party or any Person controlling such Secured Party any other condition regarding this Agreement or any Loan, and the result of any event referred to in clauses (i), (ii) or (iii) above shall be to increase the cost to such Secured Party of making any Loan, or agreeing to make any Loan, or to reduce any amount received or receivable by such Secured Party hereunder, then, within 10 Business Days after demand by such Secured Party, the Borrower shall pay to such Secured Party such additional amounts as will compensate such Secured Party for such increased costs or reductions in amount.

(b) If any Secured Party shall have reasonably determined that any Change in Law either (i) affects or would affect the amount of capital required or expected to be maintained by such Secured Party or any Person controlling such Secured Party, and such Secured Party reasonably determines that the amount of such capital is increased as a direct or indirect consequence of any Loans made or maintained, such Secured Party's or such other controlling Person's other obligations hereunder, or (ii) has or would have the effect of reducing the rate of return on such Secured Party's or such other controlling Person's capital to a level below that which such Secured Party or such controlling Person could have achieved but for such circumstances as a consequence of any Loans made or maintained, or any agreement to make Loans, or such Secured Party's or such other controlling Person's other obligations hereunder (in each case, taking into consideration, such Secured Party's or such other controlling Person's policies with respect to capital adequacy), then, within 10 Business Days after demand by such Secured Party, the Borrower shall pay to such Secured Party from time to time such additional amounts as will compensate such Secured Party for such cost of maintaining such increased capital or such reduction in the rate of return on such Secured Party's or such other controlling Person's capital.

(c) All amounts payable under this Section 2.10 shall bear interest from the date that is 10 Business Days after the date of demand by any Secured Party until payment in full to such Secured Party at the rate of interest applicable to the Loans as in effect from time to time pursuant to the terms of this Agreement. A certificate of such Secured Party claiming compensation under this Section 2.10, specifying the event herein above described and the nature of such event shall be submitted by such Secured Party to the Borrower, setting forth the additional amount due and an explanation of the calculation thereof, and such Secured Party's reasons for invoking the provisions of this Section 2.10, and shall be final and conclusive absent manifest error.

(d) Failure or delay on the part of any Lender to demand compensation pursuant to the foregoing provisions of this Section 2.10 shall not constitute a waiver of such Lender's right to demand such compensation; provided that the Borrower shall not be required to compensate a Lender pursuant to the foregoing provisions of this Section 2.10 for any increased costs incurred or reductions suffered more than nine months prior to the date that such Lender notifies the Borrower of the Change in Law giving rise to such increased costs or reductions and of such Lender's intention to claim compensation therefor (except that, if the Change in Law giving rise to such increased costs or reductions is retroactive, then the nine-month period referred to above shall be extended to include the period of retroactive effect thereof).

(e) The obligations of the Loan Parties under this Section 2.10 shall survive the termination of this Agreement and the payment of the Loans and all other amounts payable hereunder.

Section 2.11 [Reserved].

Section 2.12 Uncommitted Incremental Facility.

(a) Subject to the terms and conditions hereof, the Lenders agree that the Borrower may, on any Business Day from time to time until June 30, 2024, deliver a written notice to the Administrative Agent requesting to add additional term loans or increase the principal amount of existing Term Loan (such additional term loan or increase, the "Incremental Term Loans"; and the credit facility for making any Incremental Term Loans is hereinafter referred to as the "Incremental Term Facility") in minimum principal amounts of $5,000,000; provided that (i) the Administrative Agent shall have received a written request for such Incremental Term Loan not later than 12:00 noon (New York City time) on the date which is 10 Business Days prior to the date of the proposed Incremental Term Loan, (ii) all conditions set forth in Section 5.02 shall have been satisfied and the Borrower shall have delivered to the Collateral Agent a certificate from an Authorized Officer certifying as to matters set forth in Section 5.02(a), (iii) the LTV Ratio shall not exceed 65% on a pro forma basis, and the Borrower shall have delivered a certificate of the chief financial officer of the Borrower certifying as to such matters, (iv) the Borrower shall have delivered or cause to be delivered any legal opinions, resolutions and other customary closing documents and certificates reasonably requested by any Agent in connection with such transaction and (v) any closing fee or other amounts payable to the Agents and the Lenders pursuant to the applicable Incremental Facility Amendment shall have been paid.

(b) The aggregate principal amount of all Incremental Term Loans shall not exceed $15,000,000 (or such greater amount as the Collateral Agent and the Required Lenders may approve from time to time).

(c) Any existing Lender may, but shall not be obligated to, participate in any Incremental Term Facility on a pro rata basis. If the existing Lenders do not agree to make the amount of the Incremental Term Loan requested by the Borrower, the Borrower may, with the consent of the Collateral Agent and the Required Lenders, which consent may not be unreasonably withheld, seek one or more Persons reasonably acceptable to the Collateral Agent to be added as Lenders for purposes of participating in such remaining portion.

( ) Each Incremental Term Facility shall be evidenced by an amendment (an "Incremental Facility Amendment") to this Agreement, executed by the Borrower, the Collateral Agent and each Lender (including any new Lender, if any) providing a portion of the Incremental Term Facility. Each Incremental Term Facility shall also require such amendments to the other Loan Documents, and such other new Loan Documents, as the Collateral Agent deems necessary to effect the modifications permitted by this Section 2.12. The Borrower agrees to pay the reasonable expenses of the Agents relating to any Incremental Facility Amendment and the transactions contemplated thereby in accordance with Section

12.04. Notwithstanding anything to the contrary in Section 12.02, neither the Incremental Facility Amendment, nor any such amendments to the other Loan Documents or such other new Loan Documents, shall be required to be executed or approved by any Person, other than the Loan Parties, the Lenders providing a portion of the Incremental Term Facility and the Collateral Agent, in order to be effective.

(d) The proceeds of the Incremental Term Loans shall be used solely to fund (i) capital expenditures related to the expansion of the Borrower's cultivation facilities and to expand the Borrower's satellite locations in New Jersey, and (ii) pay fees and expenses incurred in connection therewith.

(e) Unless otherwise specifically provided herein, all references in this Agreement and any other Loan Document to the Term Loans shall be deemed, unless the context otherwise requires, to include the Incremental Term Loans made pursuant to this Section 2.12.

(f) The Incremental Term Loans (and all interest, fees and other amounts payable thereon) (i) shall be Term Loans under this Agreement and the other Loan Documents, (ii) shall be on the same terms and conditions as the initial Term Loans funded on the Effective Date (including, without limitation, the interest rate, Applicable Premium and Final Maturity Date applicable to such initial Term Loans); provided, however, that the interest rate on the Incremental Term Loan may exceed the interest rate on the Initial Term Loan by not more than 50 basis points and (iii) shall share ratably in the right of repayment and prepayment with the initial Term Loans pursuant to Section 2.03 and Section 2.05.

ARTICLE III

[INTENTIONALLY OMITTED]

ARTICLE IV

APPLICATION OF PAYMENTS

Section 4.01 Payments; Computations and Statements. (a) The Borrower will make each payment under this Agreement not later than 12:00 noon (New York City time) on the day when due, in lawful money of the United States of America and in immediately available funds, to the Administrative Agent's Account. All payments received by the Administrative Agent after 12:00 noon (New York City time) on any Business Day will be credited to the Loan Account on the next succeeding Business Day. All payments shall be made by the Borrower without set-off, counterclaim, recoupment, deduction or other defense to the Agents and the Lenders. Except as provided in Section 2.02, after receipt, the Administrative Agent will promptly thereafter cause to be distributed like funds relating to the payment of principal ratably to the Lenders in accordance with their Pro Rata Shares and like funds relating to the payment of any other amount payable to any Lender to such Lender, in each case to be applied in accordance with the terms of this Agreement. The Lenders and the Borrower hereby authorize the Administrative Agent to, and the Administrative Agent may, from time to time, charge the Loan Account of the Borrower with any amount due and payable by the Borrower under any Loan Document. Any amount charged to the Loan Account of the Borrower shall be deemed Obligations. Whenever any payment to be made under any such Loan Document shall be stated to be due on a day other than a Business Day, such payment shall be made on the next succeeding Business Day and such extension of time shall in such case be included in the computation of interest or fees, as the case may be. All computations of fees shall be made by the Administrative Agent on the basis of a year of 360 days for the actual number of days. Each determination by the Administrative Agent of an interest rate or fees hereunder shall be conclusive and binding for all purposes in the absence of manifest error.

(b) The Administrative Agent shall provide the Borrower, promptly after the end of each calendar month, a summary statement (in the form from time to time used by the Administrative Agent) of the opening and closing daily balances in the Loan Account of the Borrower during such month, the amounts and dates of all Loans made to the Borrower during such month, the amounts and dates of all payments on account of the Loans to the Borrower during such month and the Loans to which such payments were applied, the amount of interest accrued on the Loans to the Borrower during such month, and the amount and nature of any charges to the Loan Account made during such month on account of fees, commissions, expenses and other Obligations. All entries on any such statement shall be presumed to be correct and, 30 days after the same is sent, shall be final and conclusive absent manifest error.

Section 4.02 Sharing of Payments. Except as provided in Section 2.02 hereof, if any Lender shall obtain any payment (whether voluntary, involuntary, through the exercise of any right of setoff, or otherwise) on account of any Obligation in excess of its ratable share of payments on account of similar obligations obtained by all the Lenders, such Lender shall forthwith purchase from the other Lenders such participations in such similar obligations held by them as shall be necessary to cause such purchasing Lender to share the excess payment ratably with each of them; provided, however, that (a) if all or any portion of such excess payment is thereafter recovered from such purchasing Lender, such purchase from each Lender shall be rescinded and each Lender shall repay to the purchasing Lender the purchase price to the extent of such recovery together with an amount equal to such Lender's ratable share (according to the proportion of (i) the amount of such Lender's required repayment to (ii) the total amount so recovered from the purchasing Lender) of any interest or other amount paid by the purchasing Lender in respect of the total amount so recovered and (b) the provisions of this Section shall not be construed to apply to (i) any payment made by the Borrower pursuant to and in accordance with the express terms of this Agreement (including the application of any payment of an amendment, consent or waiver fee to consenting Lenders pursuant to an effective amendment, consent or waiver with respect to this Agreement), or (ii) any payment obtained by a Lender as consideration for the assignment of or sale of a participation in any of its Loans, other than to any Loan Party or any Subsidiary thereof (as to which the provisions of this Section shall apply). The Borrower agrees that any Lender so purchasing a participation from another Lender pursuant to this Section may, to the fullest extent permitted by law, exercise all of its rights (including the Lender's right of set-off) with respect to such participation as fully as if such Lender were the direct creditor of the Borrower in the amount of such participation.

Section 4.03 Apportionment of Payments. Subject to Section 2.02 hereof:

(a) All payments of principal and interest in respect of outstanding Loans, all payments of fees (other than the fees set forth in Section 2.06 hereof) and all other payments in respect of any other Obligations, shall be allocated by the Administrative Agent among such of the Lenders as are entitled thereto, in proportion to their respective Pro Rata Shares or otherwise as provided herein or, in respect of payments not made on account of Loans, as designated by the Person making payment when the payment is made.

(b) After the occurrence and during the continuance of an Event of Default, the Administrative Agent shall upon the direction of the Collateral Agent or the Required Lenders apply all payments in respect of any Obligations, including without limitation, all proceeds of the Collateral, subject to the provisions of this Agreement, (i) first, ratably to pay the Obligations in respect of any fees, expense reimbursements, indemnities and other amounts then due and payable to the Agents until paid in full; (ii) second, to pay interest then due and payable in respect of the Collateral Agent Advances until paid in full; (iii) third, to pay principal of the Collateral Agent Advances until paid in full; (iv) fourth, ratably to pay the Obligations in respect of any fees (other than any Applicable Premium), expense reimbursements, indemnities and other amounts then due and payable to the Lenders until paid in full; (v) fifth, ratably to pay interest then due and payable in respect of the Term Loan until paid in full; (vi) sixth, ratably to pay

principal of the Term Loan until paid in full; (vii) seventh, ratably to pay the Obligations in respect of any Applicable Premium then due and payable to the Lenders until paid in full; and (viii) eighth, to the ratable payment of all other Obligations then due and payable.

(c) For purposes of Section 4.03(b) "paid in full" means payment in cash of all amounts owing under the Loan Documents according to the terms thereof, including loan fees, service fees, professional fees, interest (and specifically including interest accrued after the commencement of any Insolvency Proceeding), default interest, interest on interest, and expense reimbursements, whether or not the same would be or is allowed or disallowed in whole or in part in any Insolvency Proceeding.

(d) In the event of a direct conflict between the priority provisions of this Section 4.03 and other provisions contained in any other Loan Document, it is the intention of the parties hereto that both such priority provisions in such documents shall be read together and construed, to the fullest extent possible, to be in concert with each other. In the event of any actual, irreconcilable conflict that cannot be resolved as aforesaid, the terms and provisions of Section 4.03 shall control and govern.

ARTICLE V

CONDITIONS TO LOANS

Section 5.01 Conditions Precedent to Effectiveness. This Agreement shall become effective as of the Business Day (the "Effective Date") when each of the following conditions precedent shall have been satisfied in a manner satisfactory to the Agents:

(a) Payment of Fees, Etc. The Borrower shall have paid on or before the Effective Date all fees, costs, expenses and taxes then payable pursuant to Section 2.06 and Section 12.04.

(b) Representations and Warranties; No Event of Default. The following statements shall be true and correct: (i) the representations and warranties contained in Article VI and in each other Loan Document, certificate or other writing delivered to any Secured Party pursuant hereto or thereto on or prior to the Effective Date are true and correct in all material respects on and as of the Effective Date as though made on and as of such date, except to the extent that any such representation or warranty expressly relates solely to an earlier date (in which case such representation or warranty shall be true and correct in all material respects on and as of such earlier date) and (ii) no Default or Event of Default shall have occurred and be continuing on the Effective Date or would result from this Agreement or the other Loan Documents becoming effective in accordance with its or their respective terms.

(c) Legality. The making of the initial Loans shall not contravene any law, rule or regulation applicable to any Secured Party.

(d) Delivery of Documents. The Lenders shall have received on or before the Effective Date the following, each in form and substance reasonably satisfactory to the Required Lenders and, unless indicated otherwise, dated the Effective Date and, if applicable, duly executed by the Persons party thereto:

(i) a Security Agreement, together with the original stock certificates representing all of the Equity Interests and all promissory notes required to be pledged thereunder, accompanied by undated stock powers executed in blank and other proper instruments of transfer;

(ii) a UCC Filing Authorization Letter, together with evidence reasonably satisfactory to the Required Lenders of the filing of appropriate financing statements on Form UCC 1 in

such office or offices as may be necessary or, in the reasonable opinion of the Required Lenders, desirable to perfect the security interests purported to be created by each Security Agreement;

(iii) the results of searches for any effective UCC financing statements, tax Liens or judgment Liens filed against any Loan Party or its property, which results shall not show any such Liens (other than Permitted Liens acceptable to the Required Lenders);

(iv) a Perfection Certificate;

(v) [REDACTED];

(vi) [reserved];

(vii) [reserved];

(viii) the Holdings Guaranty;

(ix) the Intercompany Subordination Agreement;

(x) a certificate of an Authorized Officer of each Loan Party and Holdings, certifying (A) as to copies of the Governing Documents of such Person, together with all amendments thereto (including, without limitation, a true and complete copy of the charter, certificate of formation, certificate of limited partnership or other publicly filed organizational document of each such Person certified as of a recent date not more than 30 days prior to the Effective Date by an appropriate official of the jurisdiction of organization of such Person which shall set forth the same complete name of such Person as is set forth herein and the organizational number of such Person, if an organizational number is issued in such jurisdiction), (B) as to a copy of the resolutions or written consents of such Person authorizing (1) the borrowings hereunder and/or guaranty of Obligations hereunder and the other transactions contemplated by the Loan Documents to which such Person is or will be a party, and (2) the execution, delivery and performance by such Person of each Loan Document to which such Person is or will be a party and the execution and delivery of the other documents to be delivered by such Person in connection herewith and therewith, (C) the names and true signatures of the representatives of such Person authorized to sign each Loan Document (in the case of the Borrower, including, without limitation, Notices of Borrowing, and all other notices under this Agreement and the other Loan Documents) to which such Person is or will be a party and the other documents to be executed and delivered by such Person in connection herewith and therewith, together with evidence of the incumbency of such authorized officers and (D) in the case of the Loan Parties, as to the matters set forth in Section 5.01(b);

(xi) a certificate of the chief financial officer of the Parent attaching a copy of the Financial Statements and the Projections described in Section 6.01(g)(ii) hereof and certifying as to the compliance with the representations and warranties set forth in Section 6.01(g)(i) and Section 6.01(ee)(ii);

(xii) a certificate of the chief financial officer of the Parent, certifying as to the solvency of (A) Holdings and (B) the Parent and its Subsidiaries, in each case, after giving effect to the Loans made on the Effective Date;

(xiii) a certificate of an Authorized Officer of the Borrower certifying that (A) the list attached thereto of Material Licenses and Material Contracts as in effect on the Effective Date is an accurate list, (B) the attached copies of [REDACTED] as in effect on the Effective Date are true, complete and correct copies thereof and (C) such licenses and agreements remain in full force

and effect and that none of the Loan Parties has breached or defaulted in any of its obligations under such licenses or agreements as of the Effective Date;

(xiv) a certificate of the appropriate official(s) of the jurisdiction of organization of each Loan Party and Holdings and, except to the extent such failure to be so qualified could not reasonably be expected to have a Material Adverse Effect, each jurisdiction of foreign qualification of each Loan Party certifying as of a recent date not more than 30 days prior to the Effective Date as to the subsistence in good standing of, and the payment of taxes by, such Person in such jurisdictions, together with written confirmation (where available) on the Effective Date from such official(s) as to such matters;

(xv) an opinion of Foley Hoag LLP, counsel to the Loan Parties and Holdings, as to such matters as the Collateral Agent may reasonably request;

(xvi) insurance certificates evidencing the insurance coverage of the Loan Parties required by Section 7.01;

(xvii) evidence of the payment in full of all Indebtedness under the Existing Credit Facility, together with (A) a termination and release agreement with respect to the Existing Credit Facility and all related documents, duly executed by the Loan Parties and the Existing Lenders, (B) a termination of security interest in Intellectual Property for each assignment for security recorded by the Existing Lenders at the United States Patent and Trademark Office or the United States Copyright Office and covering any intellectual property of the Loan Parties, and (C) UCC 3 termination statements for all UCC-1 financing statements filed by the Existing Lenders and covering any portion of the Collateral;

(xviii) all Control Agreements (including a Control Agreement with respect to the Capex Contribution made on the Effective Date) that, in the reasonable judgment of the Agents, are required for the Loan Parties to comply with the Loan Documents as of the Effective Date, each duly executed by, in addition to the applicable Loan Party, the applicable financial institution; and

(xix) such other agreements, instruments, approvals, opinions and other documents, each reasonably satisfactory to the Agents in form and substance, as any Agent may reasonably request.

(e) Material Adverse Effect. No event or development shall have occurred since May 31, 2020, which could reasonably be expected to have a Material Adverse Effect.

(f) Consummation of Acquisition; Effective Date Capex Contribution.

(i) Prior to the making of the initial Loans, each of Holdings, the Borrower and [REDACTED] shall have fully performed all of the obligations to be performed by it under [REDACTED]. The Collateral Agent shall have received reasonably satisfactory evidence that each condition precedent under [REDACTED] (including, without limitation, receipt of consents set forth on Section 3.4 of the Disclosure Schedule [Omitted pursuant to Item 601(a)(5) of Regulation S-K] of [REDACTED], assignment of each Core Permit (as defined in [REDACTED] as in effect on the date hereof) to the Borrower, and the occurrence of the Conversion (as defined in [REDACTED] as in effect on the date hereof)) have been satisfied.

(ii) On or prior to the Effective Date, the Borrower shall have received from Holdings cash equity investments in an amount not less than $[***] (net of any cash equity investment repaid by the Closing Date Distribution). On or prior to the Effective Date, there shall have been delivered

to the Collateral Agent true and correct copies of all material documents reasonably satisfactory to the Collateral Agent evidencing such cash equity contribution, each as in effect on the Effective Date.

(g) Approvals. All consents, authorizations and approvals of, and filings and registrations with, and all other actions in respect of, any Governmental Authority or other Person required in connection with [REDACTED], the making of the Loans or the conduct of the Loan Parties' business shall have been obtained and shall be in full force and effect.

(h) Proceedings; Receipt of Documents. All proceedings in connection with the making of the initial Loans and the other transactions contemplated by this Agreement and the other Loan Documents, and all documents incidental hereto and thereto, shall be reasonably satisfactory to the Collateral Agent and its counsel, and the Collateral Agent and such counsel shall have received all such information and such counterpart originals or certified or other copies of such documents as the Collateral Agent or such counsel may reasonably request.

(i) Due Diligence. The Agents shall have completed their business, legal and collateral due diligence with respect to each Loan Party and Holdings and the results thereof shall be acceptable to the Agents, in their sole discretion.

(j) Security Interests. The Loan Documents shall create in favor of the Collateral Agent, for the benefit of the Secured Parties, a legal, valid and enforceable first priority security interest in the Collateral secured thereby (subject only to Permitted Liens).

(k) Litigation. There shall exist no claim, action, suit, investigation, litigation or proceeding (including, without limitation, shareholder or derivative litigation) pending or threatened in writing in any court or before any arbitrator or governmental authority which relates to the Loans or which is reasonably likely to be adversely determined, and that, if adversely determined, would reasonably be expected to have a Material Adverse Effect.

(l) Notice of Borrowing. The Administrative Agent shall have received a Notice of Borrowing pursuant to Section 2.02 hereof.

(m) Promissory Note. Each Lender requesting a promissory note pursuant to Section 2.03(f) at least one day prior to the Effective Date shall have received an electronic copy of such note with the original to promptly follow within five Business Days.

Section 5.02 Conditions Precedent to All Loans . The obligation of any Agent or any Lender to make any Loan after the Effective Date is subject to the fulfillment, in a manner reasonably satisfactory to the Required Lenders, of each of the following conditions precedent:

(a) Payment of Fees, Etc. The Borrower shall have paid all fees, costs, expenses and taxes then payable by the Borrower pursuant to this Agreement and the other Loan Documents, including, without limitation, Section 2.06 and Section 12.04 hereof.

(b) Representations and Warranties; No Event of Default. The following statements shall be true and correct, and the submission by the Borrower to the Administrative Agent of a Notice of Borrowing with respect to each such Loan, and the Borrower's acceptance of the proceeds of such Loan, shall each be deemed to be a representation and warranty by each Loan Party on the date of such Loan that: (i) the representations and warranties contained in Article VI and in each other Loan Document, certificate or other writing delivered to any Secured Party pursuant hereto or thereto on or prior to the date of such Loan are true and correct in all material respects (except that such materiality qualifier shall not be

applicable to any representations or warranties that already are qualified or modified as to materiality or "Material Adverse Effect" in the text thereof, which representations and warranties shall be true and correct in all respects subject to such qualification) on and as of such date as though made on and as of such date, except to the extent that any such representation or warranty expressly relates solely to an earlier date (in which case such representation or warranty shall be true and correct in all material respects (except that such materiality qualifier shall not be applicable to any representations or warranties that already are qualified or modified as to materiality or "Material Adverse Effect" in the text thereof, which representations and warranties shall be true and correct in all respects subject to such qualification) on and as of such earlier date), (ii) at the time of and after giving effect to the making of such Loan and the application of the proceeds thereof, no Default or Event of Default has occurred and is continuing or would result from the making of the Loan to be made, on such date and (iii) the conditions set forth in this Section 5.02 have been satisfied as of the date of such request.

(c) Legality. The making of such Loan shall not contravene any law, rule or regulation applicable to any Secured Party.

(d) Notices. The Administrative Agent shall have received a Notice of Borrowing pursuant to Section 2.02 hereof.

(e) Proceedings; Receipt of Documents. All proceedings in connection with the making of such Loan and the other transactions contemplated by this Agreement and the other Loan Documents, and all documents incidental hereto and thereto, shall be reasonably satisfactory to the Agents and their counsel, and the Agents and such counsel shall have received such other agreements, instruments, approvals, opinions and other documents, each in form and substance reasonably satisfactory to the Agents, as any Agent may reasonably request.

Section 5.03 Conditions Subsequent to Effectiveness. As an accommodation to the Loan Parties, the Agents and the Lenders have agreed to execute this Agreement and to make the Loans on the Effective Date notwithstanding the failure by the Loan Parties to satisfy the conditions set forth below on or before the Effective Date. In consideration of such accommodation, the Loan Parties agree that, in addition to all other terms, conditions and provisions set forth in this Agreement and the other Loan Documents, including, without limitation, those conditions set forth in Section 5.01, the Loan Parties shall satisfy each of the conditions subsequent set forth below on or before the date applicable thereto (it being understood that (i) the failure by the Loan Parties to perform or cause to be performed any such condition subsequent on or before the date applicable thereto shall constitute an Event of Default and (ii) to the extent that the existence of any such condition subsequent would otherwise cause any representation, warranty or covenant in this Agreement or any other Loan Document to be breached, the Required Lenders hereby waive such breach for the period from the Effective Date until the date on which such condition subsequent is required to be fulfilled pursuant to this Section 5.03):

(a) not later than the date that is 15 Business Days after the Effective Date (or such later date as agreed to in writing by the Required Lenders in their sole discretion), the Collateral Agent shall have received evidence of the insurance coverage required by Section 7.01 (other than the insurance certificates delivered pursuant to Section 5.01(d)), with such endorsements as to the additional insureds or lender loss payees thereunder as the Required Lenders may request and providing that such policy may be terminated or canceled (by the insurer or the insured thereunder) only upon 30 days' prior written notice to the Collateral Agent and each such additional insured or lender loss payee, together with evidence of the payment of all premiums due in respect thereof for such period as the Required Lenders may request;

(b) the Loan Parties shall use commercially reasonable efforts to obtain and deliver to the Collateral Agent, on or prior to the date that is 60 days following the Effective Date (or such later date

as agreed to in writing by the Collateral Agent in its sole discretion), landlord waivers, in form and substance reasonably satisfactory to the Collateral Agent and which may be included as a provision contained in the relevant Lease, with respect to each of the Loan Parties' leases for real property and each premises of a bailee, warehouseman, or similar party where (i) the chief executive office of any Loan Party is located, (ii) the Loan Parties' books and records are located and/or (iii) tangible Collateral with a book value in excess of $[***] (when aggregated with all other Collateral at the same location) is located.

ARTICLE VI

REPRESENTATIONS AND WARRANTIES

Section 6.01 Representations and Warranties. Each Loan Party hereby represents and warrants to the Secured Parties as follows:

(a) Organization, Good Standing, Etc. Each Loan Party (i) is a corporation, limited liability company or limited partnership duly organized, validly existing and in good standing under the laws of the state or jurisdiction of its organization, (ii) has all requisite power and authority to conduct its business as now conducted and as presently contemplated and, in the case of the Borrower, to make the borrowings hereunder, and to execute and deliver each Loan Document to which it is a party, and to consummate the transactions contemplated thereby, and (iii) is duly qualified to do business and is in good standing in each jurisdiction in which the character of the properties owned or leased by it or in which the transaction of its business makes such qualification necessary, except (solely for the purposes of this subclause (iii)) where the failure to be so qualified and in good standing could not reasonably be expected to have a Material Adverse Effect.

(b) Authorization, Etc. The execution, delivery and performance by each Loan Party of each Loan Document to which it is or will be a party, (i) have been duly authorized by all necessary action, (ii) do not and will not contravene (A) any of its Governing Documents, (B) any applicable material Requirement of Law or (C) any material Contractual Obligation binding on or otherwise affecting it or any of its properties, (iii) do not and will not result in or require the creation of any Lien (other than pursuant to any Loan Document) upon or with respect to any of its properties, and (iv) do not and will not result in any default, noncompliance, suspension, revocation, impairment, forfeiture or nonrenewal of any permit, license, authorization or approval applicable to its operations or any of its properties, except, in the case of clause (iv), to the extent where such contravention, default, noncompliance, suspension, revocation, impairment, forfeiture or nonrenewal could not reasonably be expected to have a Material Adverse Effect.

(c) Governmental Approvals. No authorization or approval or other action by, and no notice to or filing with, any Governmental Authority is required in connection with the due execution, delivery and performance by any Loan Party of any Loan Document to which it is or will be a party other than filings and recordings with respect to Collateral to be made, or otherwise delivered to the Collateral Agent for filing or recordation, on the Effective Date. The performance by each Loan Party of all Cannabis Activities presently engaged in pursuant to the Material Licenses does not require any Loan Party to obtain any additional authorization or approvals from, or give any notice to, any Governmental Authority or other Person (except that no representation is made with respect to (i) the Controlled Substances Act solely to the extent its then effective provisions forbid or restrict the conduct of Cannabis Activities that are in compliance with state and local law and (ii) any other federal law which would be violated solely because a Cannabis Activity conducted in compliance with state and local law violates the then effective provisions of the Controlled Substances Act).

(d) Enforceability of Loan Documents. This Agreement is, and each other Loan Document to which any Loan Party is or will be a party, when delivered hereunder, will be, a legal, valid

and binding obligation of such Person, enforceable against such Person in accordance with its terms, except as enforceability may be limited by applicable bankruptcy, insolvency, reorganization, moratorium

or other similar laws affecting the enforcement of creditors' rights generally and by general principles of equity.

(e) Capitalization. On the Effective Date, after giving effect to the transactions contemplated hereby to occur on the Effective Date, the authorized Equity Interests of the Parent and each of its Subsidiaries and the issued and outstanding Equity Interests of the Parent and each of its Subsidiaries are as set forth on Schedule 6.01(e) [Omitted pursuant to Item 601(a)(5) of Regulation S-K]. All of the issued and outstanding shares of Equity Interests of the Parent and each of its Subsidiaries have been validly issued and are fully paid and nonassessable, and the holders thereof are not entitled to any preemptive, first refusal or other similar rights. All Equity Interests of such Subsidiaries of the Parent are owned by the Parent free and clear of all Liens (other than Permitted Specified Liens). Except as described on Schedule 6.01(e) [Omitted pursuant to Item 601(a)(5) of Regulation S-K], there are no outstanding debt or equity securities of the Parent or any of its Subsidiaries and no outstanding obligations of the Parent or any of its Subsidiaries convertible into or exchangeable for, or warrants, options or other rights for the purchase or acquisition from the Parent or any of its Subsidiaries, or other obligations of the Parent or any of its Subsidiaries to issue, directly or indirectly, any shares of Equity Interests of the Parent or any of its Subsidiaries.

(f) Litigation and Investigations. Except as set forth in Schedule 6.01(f) [Omitted pursuant to Item 601(a)(5) of Regulation S-K], there is no pending or, to the best knowledge of any Loan Party, threatened in writing action, suit or proceeding affecting Holdings, any Loan Party or any of its properties before any court or other Governmental Authority or any arbitrator that (i) could reasonably be expected to have a Material Adverse Effect or (ii) relates to this Agreement or any other Loan Document or any transaction contemplated hereby or thereby. Neither Holdings nor any Loan Party is the subject of any criminal, administrative, or regulatory investigation, action, or proceeding by any Governmental Authority, other than administrative inquiries in the ordinary course.

(g) Financial Statements.

(i) The Financial Statements, copies of which have been delivered to each Agent and each Lender, fairly present in all material respect the consolidated financial condition of Holdings and its Subsidiaries and [REDACTED] and its Subsidiaries, in each case, as at the respective dates thereof and the consolidated results of operations of Holdings and its Subsidiaries and [REDACTED] and its Subsidiaries, in each case, for the fiscal periods ended on such respective dates, all in accordance with GAAP. All material indebtedness and other liabilities (including, without limitation, Indebtedness, liabilities for taxes, long-term leases and other unusual forward or long-term commitments), direct or contingent, of Holdings and its Subsidiaries and of [REDACTED] and its Subsidiaries are set forth in the Financial Statements. Since June 30, 2020, no event or development has occurred that has had or could reasonably be expected to have a Material Adverse Effect.

(ii) The Parent has heretofore furnished to each Agent and each Lender (A) projected monthly income statements and schedule of Capital Expenditures of the Parent and its Subsidiaries for the period from July 2020 through June 2021, and (B) projected annual balance sheets, income statements and statements of cash flows of the Parent and its Subsidiaries for the Fiscal Years ending in December 2020 through December 2024, which projected financial statements shall be updated from time to time pursuant to Section 7.01(a)(ix).

(h) Compliance with Law, Etc. No Loan Party or any of its Subsidiaries is in violation of (i) any of its Governing Documents, (ii) any material Requirement of Law, (iii) in any material respect, any term of any material Contractual Obligation (including, without limitation, any Material Contract) binding on or otherwise affecting it or any of its properties or (iv) in any material respect, any term or condition of any Material License, and no default or event of default has occurred and is continuing

thereunder. No Loan Party or any of its Subsidiaries has received any written notice or other communication from any Governmental Authority, arbitrator or any other Person regarding any material violation of or material failure to comply with federal, state and/or municipal law.

(i) ERISA. Except as set forth on Schedule 6.01(i) [Omitted pursuant to Item 601(a)(5) of Regulation S-K], (i) each Loan Party and each Employee Plan is in compliance with all Requirements of Law with respect to Employee Plans in all material respects, including ERISA, the Internal Revenue Code and the Patient Protection and Affordable Care Act of 2010, as amended by the Health Care and Education Reconciliation Act of 2010, (ii) no ERISA Event has occurred nor is reasonably expected to occur with respect to any Employee Plan or Multiemployer Plan, (iii) the most recent annual report (Form 5500 Series) with respect to each Pension Plan, including any required Schedule B (Actuarial Information) thereto, copies of which have been filed with the Internal Revenue Service and delivered to the Agents, is complete and correct and fairly presents the funding status of such Pension Plan, and since the date of such report, there has been no material adverse change in such funding status, (iv) copies of each agreement entered into with the PBGC, the U.S. Department of Labor or the Internal Revenue Service with respect to any Employee Plan have been delivered to the Agents, and (v) each Employee Plan that is intended to be a qualified plan under Section 401(a) of the Internal Revenue Code has been determined by the Internal Revenue Service to be qualified under Section 401(a) of the Internal Revenue Code and the trust related thereto is exempt from federal income tax under Section 501(a) of the Internal Revenue Code. No Loan Party or any of its ERISA Affiliates has incurred any liability to the PBGC which remains outstanding other than the payment of premiums, and there are no premium payments which have become due which are unpaid. There are no pending or, to the best knowledge of any Loan Party, threatened in writing claims, actions, proceedings or lawsuits (other than claims for benefits in the normal course) asserted or instituted against (A) any Employee Plan or its assets, (B) any fiduciary with respect to any Employee Plan, or (C) any Loan Party or any of its ERISA Affiliates with respect to any Employee Plan. Except as required by Section 4980B of the Internal Revenue Code, no Loan Party or any of its ERISA Affiliates maintains an employee welfare benefit plan (as defined in Section 3(1) of ERISA) that provides health benefits (through the purchase of insurance or otherwise) for any retired or former employee of any Loan Party or any of its ERISA Affiliates or has any obligation to provide any such benefits for any current employee after such employee's termination of employment.

(j) Taxes, Etc. (i) All Tax returns and other reports required by applicable Requirements of Law to be filed by Holdings or any Loan Party have been timely filed and (ii) all Taxes imposed upon any Loan Party or any property of any Loan Party which have become due and payable on or prior to the date hereof have been paid, except (A) unpaid Taxes in an aggregate amount at any one time not in excess of $[***], and (B) Taxes contested in good faith by proper proceedings which stay the imposition of any Lien resulting from the non-payment thereof and with respect to which adequate reserves have been set aside for the payment thereof on the Financial Statements in accordance with GAAP.

(k) Regulations T, U and X. No Loan Party is or will be engaged in the business of extending credit for the purpose of purchasing or carrying margin stock (within the meaning of Regulation T, U or X), and no proceeds of any Loan will be used to purchase or carry any margin stock or to extend credit to others for the purpose of purchasing or carrying any margin stock or for any purpose that violates, or is inconsistent with, the provisions of Regulation T, U and X.

(l) Nature of Business.

(i) No Loan Party is engaged in any business other than as set forth on Schedule 6.01(l) [Omitted pursuant to Item 601(a)(5) of Regulation S-K].

(ii) The Parent does not have any material liabilities (other than liabilities arising under the Loan Documents), own any material assets (other than the Equity Interests of its Subsidiaries) or engage in any operations or business (other than the ownership of its Subsidiaries).

(m) Adverse Agreements, Etc. No Loan Party or any of its Subsidiaries is a party to any Contractual Obligation or subject to any restriction or limitation in any Governing Document or any judgment, order, regulation, ruling or other requirement of a court or other Governmental Authority, which (either individually or in the aggregate) has, or in the future could reasonably be expected (either individually or in the aggregate) to have, a Material Adverse Effect.

(n) Permits, Etc. Each Loan Party has, and is in compliance with, all (x) Material Licenses and (y) all other permits, licenses, authorizations, approvals, entitlements and accreditations required for such Person lawfully to own, lease, manage or operate, or to acquire, each business and Facility currently owned, leased, managed or operated, or to be acquired, by such Person, except, solely in the case of clause (y), to the extent the failure to have or be in compliance therewith could not reasonably be expected to have a Material Adverse Effect. Other than with respect to (i) the Controlled Substances Act solely to the extent its then effective provisions forbid or restrict the conduct of Cannabis Activities that are in compliance with state and local law and (ii) any other federal law which would be violated solely because a Cannabis Activity conducted in compliance with state and local law violates the then effective provisions of the Controlled Substances Act, no condition exists or event has occurred which, in itself or with the giving of notice or lapse of time or both, would result in the suspension, revocation, impairment, forfeiture or non-renewal of any such permit, license, authorization, approval, entitlement or accreditation, and there is no claim that any thereof is not in full force and effect.

(o) Properties. Each Loan Party has good and marketable title to, valid leasehold interests in, or valid licenses to use, all property and assets material to its business, free and clear of all Liens, except Permitted Liens. All such properties and assets are in good working order and condition, ordinary wear and tear excepted.

(p) Employee and Labor Matters. Except as set forth on Schedule 6.01(p) [Omitted pursuant to Item 601(a)(5) of Regulation S-K], (i) each Loan Party and its Subsidiaries is in compliance with all Requirements of Law in all material respects pertaining to employment and employment practices, terms and conditions of employment, wages and hours, and occupational safety and health, (ii) no Loan Party or any Subsidiary is party to any collective bargaining agreement, nor has any labor union been recognized as the representative of the employees of any Loan Party of Subsidiary, (iii) there is no unfair labor practice complaint pending or, to the best knowledge of any Loan Party, threatened in writing against any Loan Party or any Subsidiary before any Governmental Authority and no grievance or arbitration proceeding pending or threatened against any Loan Party or any Subsidiary which arises out of or under any collective bargaining agreement, (iv) there has been no strike, work stoppage, slowdown, lockout, or other labor dispute pending or threatened in writing against any Loan Party or any Subsidiary, and (v) to the best knowledge of each Loan Party, no labor organization or group of employees has made a pending demand for recognition or certification, and there are no representation or certification proceedings or petitions seeking a representation proceeding presently pending or threatened to be brought or filed, with the National Labor Relations Board or any other labor relations tribunal or authority. No Loan Party or Subsidiary has incurred any liability or obligation under the Worker Adjustment and Retraining Notification Act ("WARN") or any similar Requirement of Law, which remains unpaid or unsatisfied. All payments due from any Loan Party or Subsidiary on account of wages and employee health and welfare insurance and other benefits have been paid or accrued as a liability on the books of such Loan Party or Subsidiary.

(q) Environmental Matters. Except as set forth on Schedule 6.01(q) [Omitted pursuant to Item 601(a)(5) of Regulation S-K], (i) no Loan Party or any of its Subsidiaries is in violation of any Environmental Law in any material respect, (ii) each Loan

Party and its Subsidiaries has, and is in compliance with, all Environmental Permits for its respective operations and businesses, except to the extent any failure to have or be in compliance therewith could not reasonably be expected to result in a material Environmental Claim or Environmental Liability); (iii) there has been no Release of Hazardous Materials at any properties currently or formerly owned, leased or operated by any Loan Party, its Subsidiaries or a respective predecessor in interest or at any disposal or treatment facility which received Hazardous Materials generated by any Loan Party, its Subsidiaries or any respective predecessor in interest, which in any case of the foregoing could reasonably be expected to result in a material Environmental Claim or Environmental Liability); (iv) there are no pending or threatened Environmental Claims against, or Environmental Liability of, any Loan Party, its Subsidiaries or any respective predecessor in interest that could reasonably be expected to result in any adverse consequence to any Loan Party (other than immaterial consequences) or any Secured Party); (v) neither any Loan Party nor any of its Subsidiaries is performing or responsible for any Remedial Action that could reasonably be expected to result in any material Environmental Liability); and (vi) the Loan Parties have made available to the Collateral Agent and Lenders true and complete copies of all material environmental reports, audits, and investigations in the possession or control of any Loan Party or any of its Subsidiaries with respect to the operations and business of the Loan Parties and its Subsidiaries.

(r) Insurance. Each Loan Party maintains all insurance required by Section 7.01(h). Schedule 6.01(r) [Omitted pursuant to Item 601(a)(5) of Regulation S-K] sets forth a list of all such insurance maintained by or for the benefit of each Loan Party on the Effective Date.

(s) Use of Proceeds. The proceeds of the Loans shall be used to (a) pay the Closing Date Distribution, (b) pay fees and expenses in connection with the transactions contemplated hereby and (c) fund working capital of the Borrower.

(t) Solvency. After giving effect to the transactions contemplated by this Agreement and before and after giving effect to each Loan, (i) Holdings is Solvent and (ii) the Loan Parties on a consolidated basis are Solvent. No transfer of property is being made by any Loan Party and no obligation is being incurred by any Loan Party in connection with the transactions contemplated by this Agreement or the other Loan Documents with the intent to hinder, delay, or defraud either present or future creditors of such Loan Party.

(u) Intellectual Property. Except as set forth on Schedule 6.01(u) [Omitted pursuant to Item 601(a)(5) of Regulation S-K], each Loan Party owns or licenses or otherwise has the right to use all Intellectual Property rights that are necessary for the operation of its business, without infringement upon or conflict with the rights of any other Person with respect thereto, except for such infringements and conflicts which, individually or in the aggregate, could not reasonably be expected to have a Material Adverse Effect. Set forth on Schedule 6.01(u) [Omitted pursuant to Item 601(a)(5) of Regulation S-K] is a complete and accurate list as of the Effective Date of (i) each item of Registered Intellectual Property owned by each Loan Party; and (ii) each material Intellectual Property Contract to which each Loan Party is bound. No trademark or other advertising device, product, process, method, substance, part or other material now employed, or now contemplated to be employed, by any Loan Party infringes upon or conflicts with any rights owned by any other Person, and no claim or litigation regarding any of the foregoing is pending or threatened in writing, except for such infringements and conflicts which could not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect.

(v) Material Contracts. Set forth on Schedule 6.01(v) [Omitted pursuant to Item 601(a)(5) of Regulation S-K] is a complete and accurate list as of the Effective Date of all Material Contracts of each Loan Party, showing the parties and subject matter thereof and amendments and modifications thereto. Each such Material Contract (i) is in full force and effect and is binding upon and

enforceable against each Loan Party that is a party thereto and, to the best knowledge of such Loan Party, all other parties thereto in accordance with its terms, (ii) has not been

otherwise amended or modified, and (iii) is not in default due to the action of any Loan Party or, to the best knowledge of any Loan Party, any other party thereto.

(w) Investment Company Act. None of the Loan Parties is (i) an "investment company" or an "affiliated person" or "promoter" of, or "principal underwriter" of or for, an "investment company", as such terms are defined in the Investment Company Act of 1940, as amended, or (ii) subject to regulation under any Requirement of Law that limits in any respect its ability to incur Indebtedness or which may otherwise render all or a portion of the Obligations unenforceable.

(x) Material Licenses. Set forth on Schedule 6.01(x) [Omitted pursuant to Item 601(a)(5) of Regulation S-K] is a complete and accurate list, as of the Effective Date, of all Material Licenses of each Loan Party, showing the parties and subject matter, and the remaining term thereof. Except as set forth on Schedule 6.01(x) [Omitted pursuant to Item 601(a)(5) of Regulation S-K], each such Material License (i) is valid, (ii) is in full force and effect (iii) has not been otherwise amended or modified and (iv) has not been rescinded, revoked, or withdrawn due to the action or inaction of any Loan Party, or otherwise. No investigation or proceeding is pending or, to the knowledge of the Loan Party, threatened in writing, that would reasonably be expected to result in the suspension, revocation, non-renewal or limitation or restriction of any such Material License, nor is any Loan Party aware of any facts that would reasonably be expected to result in such suspension, revocation, non-renewal or limitation or restriction of any such Material License. No Loan Party has received any written notice or communication from any Person in which it holds an interest or which holds an interest in such Loan Party, or any applicable regulatory authority in the United States or any state or municipality thereof, alleging a defect, default, violation, breach or claim in respect of any Material License.

(y) Consummation of [REDACTED]. The Parent has delivered to the Agents complete and correct copies of [REDACTED], including all schedules and exhibits thereto. [REDACTED] set forth the entire agreement and understanding of the parties thereto relating to the subject matter thereof, and there are no other agreements, arrangements or understandings, written or oral, relating to the matters covered thereby. The execution, delivery and performance of [REDACTED] has been duly authorized by all necessary action (including, without limitation, the obtaining of any consent of stockholders or other holders of Equity Interests required by law or by any applicable corporate or other organizational documents) on the part of each such Person. No authorization or approval or other action by, and no notice to filing with or license from, any Governmental Authority is required for such sale other than such as have been obtained on or prior to the Effective Date. Each [REDACTED] is the legal, valid and binding obligation of the parties thereto, enforceable against such parties in accordance with its terms. All conditions precedent to [REDACTED] have been fulfilled or (with the prior written consent of the Agents) waived, no [REDACTED] has been amended or otherwise modified, and there has been no breach of any material term or condition of any [REDACTED].

(z) Sanctions; Anti-Corruption and Anti-Money Laundering Laws. None of any Loan Party, any Subsidiary thereof, or to their knowledge any of their respective directors, officers, or employees, shareholders or owners, or any of their respective agents or Affiliates, (i) is a Sanctioned Person or currently the subject or target of any Sanctions, (ii) has assets located in a Sanctioned Country, (iii) conducts any business with or for the benefit of any Sanctioned Person, (iv) directly or indirectly derives revenues from investments in, or transactions with, Sanctioned Persons, (v) is a "Foreign Shell Bank" within the meaning of the USA Patriot Act, i.e., a foreign bank that does not have a physical presence in any country and that is not affiliated with a bank that has a physical presence and an acceptable level of regulation and supervision, or (vi) is a Person that resides in or is organized under the laws of a jurisdiction designated by the United States Secretary of the Treasury under Section 311 or 312 of the USA Patriot Act as warranting special measures due to money laundering concerns. Each Loan Party and its Subsidiaries has implemented and maintains in effect policies and procedures designed to ensure compliance by each Loan Party and its

Subsidiaries and their respective directors, officers, employees, agents and Affiliates with all Anti-Corruption Laws and Anti-Money Laundering Law. Each Loan Party and each Subsidiary is in compliance with all Sanctions, Anti-Money Laundering Laws and Anti-Corruption Laws. Each Loan Party and each Affiliate, officer, employee or director acting on behalf of any Loan Party is (and is taking no action that would result in any such Person not being) in compliance with (A) all applicable OFAC rules and regulations, (B) all applicable United States of America, United Kingdom, United Nations, European Union, German, Canadian, Australian and all other internationally respected national autonomous sanctions, embargos and trade restrictions and (C) all applicable provisions of the USA Patriot Act. In addition, no Loan Party or any Subsidiary is engaged in any kind of activities or business of or with any Person or in any country or territory that is subject to any sanctions administered by OFAC, the United Kingdom, the European Union, Germany, Canada, Australia or the United Nations.

(aa) Anti-Bribery and Corruption.

(i) Neither any Loan Party nor, to the best knowledge of any Loan Party, any director, officer, employee, or any other Person acting on behalf of any Loan Party, has offered, promised, paid, given or authorized the payment or giving of any money or other thing of value, directly or indirectly, to or for the benefit of any Person, including without limitation, any employee, official or other Person acting on behalf of any Governmental Authority, or otherwise engaged in any activity that may violate any Anti-Corruption Law.

(ii) Neither any Loan Party nor, to the best knowledge of any Loan Party, any director, officer, employee, or any other Person acting on behalf of any Loan Party, has engaged in any activity that would breach any Anti-Corruption Laws.

(iii) To the best of each Loan Party's knowledge and belief, there is no pending or, to the best knowledge of any Loan Party, threatened action, suit, proceeding or investigation before any court or other Governmental Authority against any Loan Party or any of its directors, officers, employees or other Person acting on its behalf that relates to a potential violation of any Anti-Corruption Laws, Anti-Money Laundering Laws or Sanctions.

(iv) The Loan Parties will not directly or indirectly use, lend or contribute the proceeds of the Loans for any purpose that would breach the Anti-Money Laundering Laws and Anti-Corruption Laws.

(bb) Regulatory Filings. Each Loan Party has filed all material reports, statements, documents, registrations, filings or submissions required by federal, state, and/or municipal law to be filed by it with all Governmental Authorities (except no representation is made with respect to (i) the Controlled Substances Act solely to the extent its then effective provisions forbid or restrict the conduct of Cannabis Activities that are in compliance with state and local law and (ii) any other federal law which would be violated solely because a Cannabis Activity conducted in compliance with state and local law violates the then effective provisions of the Controlled Substances Act). All such registrations, filings and submissions were in compliance in all material respects with applicable law when filed or as amended or supplemented, and, to the knowledge of the Loan Party, no material deficiencies have been asserted by any Governmental Authority with respect to such registrations, filings or submissions that have not been satisfied.

(cc) Information Safeguards. Each Loan Party has security measures and safeguards in place to protect personal information it collects from registered patients and customers and other parties from illegal or unauthorized access or use by its personnel or third parties or access or use by its personnel or third parties in a manner that violates the privacy rights of third parties. Each Loan Party has complied, in all material respects, with all applicable privacy and consumer protection legislation, and no Loan Party

has collected, received, stored, disclosed, transferred, used, misused or permitted unauthorized access to any information protected by privacy laws, whether collected directly or from third parties, in an unlawful manner.

(dd) Quality Assurance and Compliance. All product research and development activities, including quality assurance, quality control, testing, and research and analysis activities, conducted by each Loan Party and, to the knowledge of such Loan Party, any Person in which such Loan Party holds an Investment, in connection with its business is being conducted in accordance with best industry practices and in compliance, in all material respects, with all industry, laboratory safety, management and training standards applicable to its current and proposed business, and all such processes, procedures and practices, required in connection with such activities are in place as necessary and are being complied with, in all material respects.

(ee) Full Disclosure.

(i) Each Loan Party has disclosed to the Agents all written agreements, instruments and corporate or other restrictions to which it is subject, and all other matters known to it, that, individually or in the aggregate, could reasonably be expected to result in a Material Adverse Effect. None of the reports, financial statements, certificates or other written information furnished by or on behalf of any Loan Party to the Agents (other than forward-looking information and projections and information of a general economic nature and general information about Borrowers' industry) in connection with the negotiation of this Agreement or delivered hereunder (as modified or supplemented by other information so furnished and taken as a whole) contains any material misstatement of fact or omits to state any material fact necessary to make the statements therein, in the light of the circumstances under which it was made, not misleading.

(ii) Projections have been prepared in good faith based on assumptions, estimates, methods and tests that are believed by the Loan Parties to be reasonable at the time such Projections were prepared and information believed by the Loan Parties to have been accurate based upon the information available to the Loan Parties at the time such Projections were furnished to the Lenders, and the Parent is not aware of any facts or information that would lead it to believe that such Projections are incorrect or misleading in any material respect; it being understood that (A) Projections are by their nature subject to significant uncertainties and contingencies, many of which are beyond the Loan Parties' control, (B) actual results may differ materially from the Projections and such variations may be material and (C) the Projections are not a guarantee of performance.

ARTICLE VII

COVENANTS OF THE LOAN PARTIES AND OTHER COLLATERAL MATTERS

Section 7.01 Affirmative Covenants. So long as any principal of or interest on any Loan or any other Obligation (whether or not due) shall remain unpaid (other than Contingent Indemnity Obligations) or any Lender shall have any Commitment hereunder, each Loan Party will, unless the Required Lenders shall otherwise consent in writing:

(a) Reporting Requirements. Furnish to each Agent and each Lender:

(i) as soon as available, and in any event within 30 days after the end of each fiscal month of the Parent and its Subsidiaries commencing with the first fiscal month of the Parent and its Subsidiaries ending after the Effective Date, internally prepared income statement and schedule of Capital Expenditures as at the end of such fiscal month, and for the period commencing at the end of the

immediately preceding Fiscal Year and ending with the end of such fiscal month, setting forth in each case in comparative form the figures for the corresponding date or period set forth in (A) the financial statements for the immediately preceding Fiscal Year, and (B) the Projections, all in reasonable detail and certified by an Authorized Officer of the Parent as fairly presenting, in all material respects, the results of operations of the Parent and its Subsidiaries as at the end of such fiscal month, in accordance with GAAP applied in a manner consistent with that of the most recent audited financial statements furnished to the Agents and the Lenders, subject to the absence of footnotes and normal year-end adjustments;

(ii) as soon as available and in any event within 60 days after the end of each of the first three fiscal quarters of each Fiscal Year of the Parent and its Subsidiaries commencing with the first fiscal quarter of the Parent and its Subsidiaries ending after the Effective Date, a consolidated balance sheet and statements of operations and cash flows of the Parent and its Subsidiaries as at the end of such quarter, and for the period commencing at the end of the immediately preceding Fiscal Year and ending with the end of such quarter, setting forth in each case in comparative form the figures for the corresponding date or period set forth in (A) the financial statements for the immediately preceding Fiscal Year and (B) the Projections, all in reasonable detail and certified by an Authorized Officer of the Parent as fairly presenting, in all material respects, the financial position of the Parent and its Subsidiaries as of the end of such quarter and the results of operations and cash flows of the Parent and its Subsidiaries for such quarter and for such year-to-date period, in accordance with GAAP applied in a manner consistent with that of the most recent audited financial statements of the Parent and its Subsidiaries furnished to the Agents and the Lenders, subject to the absence of footnotes and normal year-end adjustments;

(iii) as soon as available, and in any event within 120 days after the end of each Fiscal Year of the Parent and its Subsidiaries, a consolidated balance sheet and statements of operations, retained earnings and cash flows of the Parent and its Subsidiaries as at the end of such Fiscal Year, setting forth in each case in comparative form the figures for the corresponding date or period set forth in (A) the financial statements for the immediately preceding Fiscal Year, and (B) the Projections, all in reasonable detail and prepared in accordance with GAAP, and accompanied by a report and an opinion, prepared in accordance with generally accepted auditing standards, of independent certified public accountants of recognized standing selected by the Parent and reasonably satisfactory to the Required Lenders (which report and opinion shall not include any qualification, exception or explanatory paragraph expressing substantial doubt about the ability of the Parent or any of its Subsidiaries to continue as a going concern (other than solely as relates to the upcoming maturity date of the Loan if occurring within one year from the time such opinion is delivered) or any qualification or exception as to the scope of such audit), together with a written statement of such accountants if such accountants shall have obtained any knowledge of the existence of an Event of Default or such Default, describing the nature thereof; and

(iv) as soon as available, and in any event within 120 days after the end of each Fiscal Year of Holdings and its Subsidiaries, a consolidated balance sheet and statements of operations, retained earnings and cash flows of Holdings and its Subsidiaries as at the end of such Fiscal Year, setting forth in each case in comparative form the figures for the corresponding date or period set forth in the financial statements for the immediately preceding Fiscal Year, all in reasonable detail and prepared in accordance with GAAP, and accompanied by a report and an opinion, prepared in accordance with generally accepted auditing standards, of independent certified public accountants of recognized standing selected by the Parent and reasonably satisfactory to the Required Lenders (which report and opinion shall not include any qualification, exception or explanatory paragraph expressing substantial doubt about the ability of the Parent or any of its Subsidiaries to continue as a going concern (other than solely as relates to the upcoming maturity date of Indebtedness of Holdings or its Subsidiaries if occurring within one year from the time such opinion is delivered) or any qualification or exception as to the scope of such audit); and

(v) as soon as available, and in any event within the applicable timeframes set forth therein, the financial information, reports and other information or deliverables set forth on Schedule 7.01(a) [Omitted pursuant to Item 601(a)(5) of Regulation S-K], but solely to the extent not already delivered pursuant to any of clauses (i) through (iv) above.

Notwithstanding the foregoing, the Borrower will be permitted to satisfy its obligations with respect to financial information required by clauses (ii) and (iii) above by furnishing the financial information required by the applicable clause set forth above for Holdings and its Subsidiaries; provided that (i) the same is accompanied by consolidating information that explains in reasonable detail the differences between the information relating to Holdings and its Subsidiaries, on the one hand, and the information relating to the Parent and its Subsidiaries on a standalone basis, on the other hand ("Consolidating Information"), and (ii) the Consolidating Information shall be certified by the chief financial officer or treasurer of the Parents as fairly presenting in all material respects the financial condition and results of operations of the Parent and its Subsidiaries on a standalone basis (it being agreed that the Consolidating Information shall not be required to be audited).

(vi) simultaneously with the delivery of the financial statements of the Parent and its Subsidiaries required by clauses (ii) and (iii) of this Section 7.01(a), a Compliance Certificate:

(A) stating that such Authorized Officer has reviewed the provisions of this Agreement and the other Loan Documents and has made or caused to be made under his or her supervision a review of the condition and operations of the Parent and its Subsidiaries during the period covered by such financial statements with a view to determining whether the Parent and its Subsidiaries were in compliance with all of the provisions of this Agreement and such Loan Documents at the times such compliance is required hereby and thereby, and that such review has not disclosed, and such Authorized Officer has no knowledge of, the occurrence and continuance during such period of an Event of Default or Default or, if an Event of Default or Default had occurred or is continuing, describing the nature and period of existence thereof and the action which the Parent and its Subsidiaries propose to take or have taken with respect thereto,

(B) in the case of the delivery of the financial statements of the Parent and its Subsidiaries required by clauses (ii) and (iii) of this Section 7.01(a), including a summary discussion and analysis of the financial condition and results of operations of Holdings and its Subsidiaries for the portion of the Fiscal Year then elapsed and discussing the reasons for any significant variations from the Projections for such period and the figures for the corresponding period in the previous Fiscal Year, and

(C) in the case of the delivery of the financial statements of the Parent and its Subsidiaries required by clause (iii) of this Section 7.01(a), attaching (1) a summary of all material insurance coverage maintained as of the date thereof by any Loan Party or any of its Subsidiaries and evidence that such insurance coverage meets the requirements set forth in Section 7.01, each Security Agreement and each Mortgage, together with such other related documents and information as the Required Lenders may reasonably require, (2) the calculation of the Excess Cash Flow in accordance with the terms of Section 2.05(c)(i) and (3) confirmation that there have been no changes to the information contained in each of the Perfection Certificates delivered on the Effective Date or the date of the most recently updated Perfection Certificate delivered pursuant to this clause (C) and/or attaching an updated Perfection Certificate identifying any such changes to the information contained therein;

(vii) [reserved];

(viii) [reserved];

(ix) as soon as available and in any event not later than 60 days after the end of each Fiscal Year, a certificate of an Authorized Officer of the Parent (A) attaching Projections for the Parent and its Subsidiaries, supplementing and superseding the Projections previously required to be delivered pursuant to this Agreement, prepared on a monthly basis and otherwise in form and substance reasonably satisfactory to the Required Lenders, for the immediately succeeding Fiscal Year for the Parent and its Subsidiaries and (B) certifying that the representations and warranties set forth in Section 6.01(ee)(ii) are true and correct with respect to the Projections;

(x) promptly after submission to any Governmental Authority, all documents and information furnished to such Governmental Authority in connection with any investigation of any Loan Party other than routine inquiries by such Governmental Authority;

(xi) as soon as possible, and in any event within 3 days after the occurrence of an Event of Default or Default, loss of a Material License or the occurrence of any event or development that could reasonably be expected to have a Material Adverse Effect, the written statement of an Authorized Officer of the Borrower setting forth the details of such Event of Default or Default, loss or other event or development having a Material Adverse Effect and the action which the affected Loan Party proposes to take with respect thereto;

(xii) as soon as possible and in any event: (A) at least 10 days prior to any event or development that could reasonably be expected to result in or constitute an ERISA Event, and, to the extent not reasonably expected, within 5 days after the occurrence of any ERISA Event, notice of such ERISA Event (in reasonable detail), (B) within three days after receipt thereof by any Loan Party or any of its ERISA Affiliates from the PBGC, copies of each notice received by any Loan Party or any of its ERISA Affiliates of the PBGC's intention to terminate any Pension Plan or to have a trustee appointed to administer any Pension Plan, (C) within 10 days after the filing thereof with the Internal Revenue Service, copies of each Schedule B (Actuarial Information) to the annual report (Form 5500 Series) with respect to each Pension Plan, (D) within 3 days after receipt thereof by any Loan Party or any of its ERISA Affiliates from a sponsor of a Multiemployer Plan or from the PBGC, a copy of each notice received by any Loan Party or any of its ERISA Affiliates concerning the imposition or amount of withdrawal liability under Section 4202 of ERISA or indicating that such Multiemployer Plan may enter reorganization status under Section 4241 of ERISA, and (E) within 10 days after any Loan Party sends notice of a plant closing or mass layoff (as defined in WARN) to employees, copies of each such notice sent by such Loan Party;

(xiii) romptly after the commencement thereof but in any event not later than 5 days after service of process with respect thereto on, or the obtaining of knowledge thereof by, any Loan Party, notice of each action, suit or proceeding before any court or other Governmental Authority or other regulatory body or any arbitrator which could reasonably be expected to have a Material Adverse Effect;

(xiv) as soon as possible and in any event within 5 days after execution, receipt or delivery thereof, copies of any material notices that any Loan Party executes or receives in connection with any Material Contract or any [REDACTED];

(xv) as soon as possible and in any event within 5 days after execution, receipt or delivery thereof, copies of any material notices that any Loan Party executes or receives in connection with the sale or other Disposition of the Equity Interests of, or all or substantially all of the assets of, any Loan Party;

(xvi) as soon as possible and in any event within 5 days after the delivery thereof to the Borrower's Board of Directors, copies of all reports or other information so delivered;

(xvii) promptly after (A) the sending or filing thereof, copies of all statements, reports and other information any Loan Party sends to any holders of its Indebtedness or its securities or files with the SEC or any national (domestic or foreign) securities exchange and (B) the receipt thereof, a copy of any material notice received from any holder of its Indebtedness;

(xviii) promptly upon receipt thereof, copies of all financial reports (including, without limitation, management letters), if any, submitted to any Loan Party by its auditors in connection with any annual or interim audit of the books thereof;

(xix) promptly upon request, any certification or other evidence requested from time to time by any Lender in its reasonable discretion, confirming the Borrower's compliance with Section 7.02(r);

(xx) simultaneously with the delivery of the financial statements of the Parent and its Subsidiaries required by clauses (ii) and (iii) of this Section 7.01(a), if, as a result of any change in accounting principles and policies from those used in the preparation of the Financial Statements that is permitted by Section 7.02(q), the consolidated financial statements of the Parent and its Subsidiaries delivered pursuant to clauses (ii) and (iii) of this Section 7.01(a) will differ from the consolidated financial statements that would have been delivered pursuant to such subdivisions had no such change in accounting principles and policies been made, then, together with the first delivery of such financial statements after such change, one or more statements of reconciliation for all such prior financial statements in form and substance reasonably satisfactory to the Agents; and

(xxi) promptly upon request, such other information concerning the condition or operations, financial or otherwise, of any Loan Party or Holdings as any Lender may from time to time may reasonably request.

(b) Additional Guarantors and Collateral Security. Cause:

(i) each Material Subsidiary of any Loan Party not in existence on the Effective Date, to execute and deliver to the Collateral Agent promptly and in any event within 30 days after the formation, acquisition or change in status thereof, (A) a Joinder Agreement, pursuant to which such Subsidiary shall be made a party to this Agreement as a Guarantor, (B) a supplement to the Security Agreement, together with (1) certificates evidencing all of the Equity Interests of any Person owned by such Subsidiary required to be pledged under the terms of the Security Agreement, (2) undated stock powers for such Equity Interests executed in blank with signature guaranteed, and (3) such opinions of counsel as the Collateral Agent may reasonably request, (C) to the extent required under the terms of this Agreement, one or more Mortgages creating on the real property of such Subsidiary a perfected, first priority Lien (in terms of priority, subject only to Permitted Specified Liens) on such real property and such other Real Property Deliverables as may be required by the Collateral Agent with respect to each such real property, and (D) such other agreements, instruments, approvals or other documents reasonably requested by the Collateral Agent in order to create, perfect, establish the first priority of or otherwise protect any Lien purported to be covered by any such Security Agreement or Mortgage or otherwise to effect the intent that such Subsidiary shall become bound by all of the terms, covenants and agreements contained in the Loan Documents and that all property and assets of such Subsidiary shall become Collateral for the Obligations; and

(ii) each owner of the Equity Interests of any such Subsidiary to execute and deliver promptly and in any event within 30 days after the formation or acquisition of such Subsidiary a Pledge Amendment (as defined in the Security Agreement), together with (A) certificates evidencing all of the Equity Interests of such Subsidiary required to be pledged under the terms of the Security Agreement,

(B) undated stock powers or other appropriate instruments of assignment for such Equity Interests executed in blank with signature guaranteed, (C) such opinions of counsel as the Collateral Agent may reasonably request and (D) such other agreements, instruments, approvals or other documents requested by the Collateral Agent.

(c) Compliance with Laws; Payment of Taxes.

(i) Comply, and cause each of its Subsidiaries to comply, in all material respects with all Requirements of Law, judgments and awards (including any settlement of any claim that, if breached, could give rise to any of the foregoing).

(ii) Pay, and cause each of its Subsidiaries to pay, in full before delinquency or before the expiration of any extension period, all Taxes imposed upon any Loan Party or any of its Subsidiaries or any property of any Loan Party or any of its Subsidiaries, except (i) unpaid Taxes in an aggregate amount at any one time not in excess of $[***], and (ii) Taxes contested in good faith by proper proceedings which stay the imposition of any Lien resulting from the non-payment thereof and with respect to which adequate reserves have been set aside for the payment thereof in accordance with GAAP.

(iii) Take all reasonable measures within its control to conduct its business in a way that prevents the distribution of Marijuana to minors (except as authorized by state and municipal law for legitimate medical purposes); revenue from the sale of Marijuana from going to criminal enterprises, gangs or cartels; the unlawful diversion of Marijuana from states where it is legal under state law in some form to other states; Cannabis Activities from being used as a cover or pretext for the trafficking of other illegal drugs or other illegal activity; possession or use of Marijuana on federal property or the growth of Marijuana on public lands; and drugged driving and the exacerbation of other adverse public health consequences associated with Marijuana use.

() Maintain and implement policies and procedures that are reasonably designed to ensure that the Cannabis Activities of the Loan Parties and their Subsidiaries are conducted in compliance with all Requirements of Law.

(d) Preservation of Existence, Etc. Maintain and preserve, and cause each of its Subsidiaries to maintain and preserve, its existence, rights and privileges, and become or remain, and cause each of its Subsidiaries to become or remain, duly qualified and in good standing in each jurisdiction in which the character of the properties owned or leased by it or in which the transaction of its business makes such qualification necessary, except to the extent that the failure to be so qualified could not reasonably be expected to have a Material Adverse Effect.

(e) Keeping of Records and Books of Account. Keep, and cause each of its Subsidiaries and Holdings to keep, adequate records and books of account, with complete entries made to permit the preparation of financial statements in accordance with GAAP. Appropriate notation shall be made on consolidated financial statements of Holdings to indicate the separateness of the Loan Parties and their Affiliates and to indicate that the Loan Parties' assets and credit are not available to satisfy the debts and other obligations of such Affiliates or any other Person.

(f) Inspection Rights. Permit, and cause each of its Subsidiaries to permit, the agents and representatives of the Required Lenders from time to time at reasonable intervals during normal business hours, at the expense of the Borrower, to examine and make copies of and abstracts from its records and books of account, to visit and inspect its properties, to verify materials, leases, notes, accounts receivable, deposit accounts and its other assets, and to discuss its affairs, finances and accounts with any of its directors, officers, managerial employees, independent accountants or any of its other representatives.

In furtherance of the foregoing, each Loan Party hereby authorizes its independent accountants, and the independent accountants of each of its Subsidiaries, to discuss the affairs, finances and accounts of such Person (independently or together with representatives of such Person) with the agents and representatives of the Required Lenders in accordance with this Section 7.01(f).

(g) Maintenance of Properties, Etc. Maintain and preserve, and cause each of its Subsidiaries to maintain and preserve, all of its properties which are necessary or useful in the proper conduct of its business in good working order and condition, ordinary wear and tear and casualty excepted, and comply, and cause each of its Subsidiaries to comply, at all times with the provisions of all leases to which it is a party as lessee or under which it occupies property, so as to prevent any loss or forfeiture thereof or thereunder, except to the extent the failure to so maintain and preserve or so comply could not reasonably be expected to have a Material Adverse Effect.

(h) Maintenance of Insurance. Maintain, and cause each of its Subsidiaries to maintain, insurance with responsible and reputable insurance companies or associations (including, without limitation, comprehensive general liability, hazard, flood, rent, worker's compensation and business interruption insurance) with respect to the Collateral and its other properties (including all real property leased or owned by it) and business, in such amounts and covering such risks as is (i) carried generally in accordance with sound business practice by companies in similar businesses similarly situated, (ii) required by any Requirement of Law, (iii) required by any Material Contract and (iv) in any event in amount, adequacy and scope reasonably satisfactory to the Collateral Agent. All policies covering the Collateral are to be made payable to the Collateral Agent for the benefit of the Agents and the Lenders, as their interests may appear, in case of loss, under a standard non-contributory "lender" or "secured party" clause and are to contain such other provisions as the Collateral Agent may reasonably require to fully protect the Lenders' interest in the Collateral and to any payments to be made under such policies. All certificates of insurance are to be delivered to the Collateral Agent, with the loss payable and additional insured endorsement in favor of the Collateral Agent for the benefit of the Agents and the Lenders, as their respective interests may appear, and such other Persons as the Collateral Agent may designate from time to time, and shall provide for not less than 30 days' (10 days' in the case of non-payment) prior written notice to the Collateral Agent of the exercise of any right of cancellation. The rights of the Collateral Agent shall not extend to property and lost rent insurance coverage obtained by the Loan Parties for the benefit of any real property lessor. If any Loan Party or any of its Subsidiaries fails to maintain such insurance, the Collateral Agent may arrange for such insurance, but at the Borrower's expense and without any responsibility on the Collateral Agent's part for obtaining the insurance, the solvency of the insurance companies, the adequacy of the coverage, or the collection of claims. Upon the occurrence and during the continuance of an Event of Default, the Collateral Agent shall have the sole right, in the name of the Lenders, any Loan Party and its Subsidiaries, to file claims under any insurance policies, to receive, receipt and give acquittance for any payments that may be payable thereunder, and to execute any and all endorsements, receipts, releases, assignments, reassignments or other documents that may be necessary to effect the collection, compromise or settlement of any claims under any such insurance policies.

(i) Obtaining of Permits, Etc. Obtain, maintain and preserve, and cause each of its Subsidiaries to obtain, maintain and preserve, and take all necessary action to timely renew, (x) all Material Licenses and (y) all other permits, licenses (including Material Licenses), authorizations, approvals, entitlements and accreditations that are necessary or useful in the proper conduct of its business, solely in the case of clause (y), except to the extent the failure to obtain, maintain, preserve or take such action could not reasonably be expected to have a Material Adverse Effect.

(j) Environmental.

(i) Keep the Collateral free of any Environmental Lien;

(ii) Obtain, maintain and preserve, and cause each of its Subsidiaries to obtain, maintain and preserve, and take all necessary action to timely renew, all Environmental Permits that are necessary or useful in the proper conduct of its business, and comply, and cause each of its Subsidiaries to comply, with all Environmental Laws and Environmental Permits in all material respects;

(iii) Take all commercially reasonable steps to prevent any Release of Hazardous Materials in violation of any Environmental Law or Environmental Permit at, on, under or from any property owned, leased or operated by any Loan Party or its Subsidiaries that could reasonably be expected to result in material Environmental Liabilities;

(iv) Provide the Collateral Agent with written notice within ten (10) Business Days of any of the following: (A) discovery of any Release of a Hazardous Material or environmental condition at, on, under or from any property currently or formerly owned, leased or operated by any Loan Party, Subsidiary or predecessor in interest or any violation of Environmental Law or Environmental Permit that in any case could reasonably be expected to result in any material Environmental Claim or Environmental Liability; (B) notice that an Environmental Lien has been filed against any Collateral; or (C) a material Environmental Claim or Environmental Liabilities; and provide such reports, documents and information as the Collateral Agent may reasonably request from time to time with respect to any of the foregoing.

(k) Fiscal Year. Cause the Fiscal Year of the Parent and its Subsidiaries to end on December 31 of each calendar year unless the Required Lenders consent to a change in such Fiscal Year (and appropriate related changes to this Agreement).

(l) Landlord Waivers; Collateral Access Agreements. At any time any Collateral with a book value in excess of $[***] (when aggregated with all other Collateral at the same location) is located on any real property of a Loan Party (whether such real property is now existing or acquired after the Effective Date) which is not owned by a Loan Party, or is stored on the premises of a bailee, warehouseman, or similar party, use commercially reasonable efforts to obtain written subordinations or waivers or collateral access agreements, as the case may be, in form and substance satisfactory to the Collateral Agent.

(m) After Acquired Real Property. Upon the acquisition by it or any of its Subsidiaries after the date hereof of any fee interest in any real property (wherever located) (each such interest being a "New Facility") with a Current Value (as defined below) in excess of $[***] in the case of a fee interest, immediately so notify the Collateral Agent, setting forth with specificity a description of the interest acquired, the location of the real property, any structures or improvements thereon and either an appraisal or such Loan Party's good-faith estimate of the current value of such real property (for purposes of this Section, the "Current Value"). The Collateral Agent shall notify such Loan Party whether it intends to require a Mortgage (and any other Real Property Deliverables) or landlord's waiver (pursuant to Section 7.01(l) hereof) with respect to such New Facility; provided, however, that no Mortgage (or any other Real Property Deliverables) shall be required in respect of any Excluded Facility. Upon receipt of such notice requesting a Mortgage (and any other Real Property Deliverables) or landlord's waiver, the Person that has acquired such New Facility shall promptly furnish the same to the Collateral Agent. The Borrower shall pay all fees and expenses, including, without limitation, reasonable attorneys' fees and expenses, and all title insurance charges and premiums, in connection with each Loan Party's obligations under this Section 7.01(m).

(n) Anti-Corruption Laws; Anti-Money Laundering Laws; Sanctions.

(i) Maintain, and cause each of its Subsidiaries to maintain, policies and procedures designed to promote compliance by each Loan Party, its Subsidiaries and their respective directors, officers, employees and agents with all Anti-Corruption Laws and Anti-Money Laundering Laws.

(ii) Comply, and cause each of its Subsidiaries to comply, with all applicable Anti-Corruption Laws, Anti-Money Laundering Laws and Sanctions.

(iii) Neither Loan Party nor, to the best knowledge of any Loan Party, any director, officer, employee or any Person acting on behalf of any Loan Party will engage in any activity that would breach any Anti-Corruption Law.

(iv) Promptly notify the Administrative Agent of any action, suit or investigations by any court or Governmental Authority in relation to an alleged breach of the Anti-Corruption Law.

(v) Not directly or indirectly use, lend or contribute the proceeds of any Loan for any purpose that would breach any Anti-Corruption Law.

(vi) Each Loan Party and Affiliate, officer, employee or director, acting on behalf of the Loan Party is (and will take no action which would result in any such Person not being) in compliance with (A) all applicable OFAC rules and regulations, (B) all applicable United States of America, United Kingdom, United Nations, European Union, German, Canadian, Australian and all other reasonable internationally respected national autonomous sanctions, embargos and trade restrictions and (C) all applicable provisions of the USA Patriot Act. In addition, none of the activities or business of any Loan Party includes any kind of activities or business of or with any Person or in any country or territory that is subject to any Sanctions.

(vii) In order to comply with the "know your customer/borrower" requirements of the Anti-Money Laundering Laws, promptly provide to the Administrative Agent upon its reasonable request from time to time (A) information relating to individuals and entities affiliated with any Loan Party that maintain a business relationship with the Administrative Agent, and (B) such identifying information and documentation as may be available for such Loan Party in order to enable the Administrative Agent or any Lender to comply with Anti-Money Laundering Laws.

(o) Lender Meetings. Upon the request of any Agent or the Required Lenders (which request, so long as no Event of Default shall have occurred and be continuing, shall not be made more than once during each Fiscal Year), participate in a meeting with the Agents and the Lenders at the Borrower's corporate offices (or at such other location as may be agreed to by the Borrower and such Agent or the Required Lenders) at such time as may be agreed to by the Borrower and such Agent or the Required Lenders.

(p) Further Assurances. Take such action and execute, acknowledge and deliver, and cause each of its Subsidiaries to take such action and execute, acknowledge and deliver, at its sole cost and expense, such agreements, instruments or other documents as any Agent may require from time to time in order (i) to carry out more effectively the purposes of this Agreement and the other Loan Documents, (ii) to subject to valid and perfected first priority Liens any of the Collateral or any other property of any Loan Party and its Subsidiaries, (iii) to establish and maintain the validity and effectiveness of any of the Loan Documents and the validity, perfection and priority of the Liens intended to be created thereby, and (iv) to better assure, convey, grant, assign, transfer and confirm unto each Secured Party the rights now or hereafter

intended to be granted to it under this Agreement or any other Loan Document. In furtherance of the foregoing, to the maximum extent permitted by applicable law, each Loan Party (i) authorizes each Agent to execute any such agreements, instruments or other documents in such Loan Party's name and to file such agreements, instruments or other documents in any appropriate filing office, (ii) authorizes each Agent to file any financing statement required hereunder or under any other Loan Document, and any continuation statement or amendment with respect thereto, in any appropriate filing office without the signature of such Loan Party, and (iii) ratifies the filing of any financing statement, and any continuation statement or amendment with respect thereto, filed without the signature of such Loan Party prior to the date hereof.

Section 7.02 Negative Covenants. So long as any principal of or interest on any Loan or any other Obligation (whether or not due) shall remain unpaid (other than Contingent Indemnity Obligations) or any Lender shall have any Commitment hereunder, each Loan Party shall not, unless the Required Lenders shall otherwise consent in writing:

(a) Liens, Etc. Create, incur, assume or suffer to exist, or permit any of its Subsidiaries to create, incur, assume or suffer to exist, any Lien upon or with respect to any of its properties, whether now owned or hereafter acquired; file or suffer to exist under the Uniform Commercial Code or any Requirement of Law of any jurisdiction, a financing statement (or the equivalent thereof) that names it or any of its Subsidiaries as debtor; sign or suffer to exist any security agreement authorizing any secured party thereunder to file such financing statement (or the equivalent thereof) other than, as to all of the above, Permitted Liens.

(b) Indebtedness. Create, incur, assume, guarantee or suffer to exist, or otherwise become or remain liable with respect to, or permit any of its Subsidiaries to create, incur, assume, guarantee or suffer to exist or otherwise become or remain liable with respect to, any Indebtedness other than Permitted Indebtedness.

(c) Fundamental Changes; Dispositions.

(i) Wind-up, liquidate or dissolve, or merge, consolidate or amalgamate with any Person, including by means of a "plan of division" under the Delaware Limited Liability Company Act or any comparable transaction under any similar law, or permit any of its Subsidiaries to do any of the foregoing; provided, however, that any wholly-owned Subsidiary of any Loan Party (other than a Borrower) may be merged into such Loan Party or another wholly-owned Subsidiary of such Loan Party, or may consolidate or amalgamate with another wholly-owned Subsidiary of such Loan Party, so long as (A) no other provision of this Agreement would be violated thereby, (B) such Loan Party gives the Agents at least 15 days' prior written notice of such merger, consolidation or amalgamation accompanied by true, correct and complete copies of all material agreements, documents and instruments relating to such merger, consolidation or amalgamation, including, without limitation, the certificate or certificates of merger or amalgamation to be filed with each appropriate Secretary of State (with a copy as filed promptly after such filing), (C) no Default or Event of Default shall have occurred and be continuing either before or after giving effect to such transaction, (D) the Lenders' rights in any Collateral, including, without limitation, the existence, perfection and priority of any Lien thereon, are not adversely affected by such merger, consolidation or amalgamation and (E) the surviving Subsidiary, if any, if not already a Loan Party, is joined as a Loan Party hereunder pursuant to a Joinder Agreement and is a party to a Security Agreement and the Equity Interests of such Subsidiary is the subject of a Security Agreement, in each case, which is in full force and effect on the date of and immediately after giving effect to such merger, consolidation or amalgamation; and

(ii) Make any Disposition, whether in one transaction or a series of related transactions, of all or any part of its business, property or assets, whether now owned or hereafter acquired,

or permit any of its Subsidiaries to do any of the foregoing; provided, however, that any Loan Party and its Subsidiaries may make Permitted Dispositions.

(d) Change in Nature of Business.

(i) Make, or permit any of its Subsidiaries to make, any change in the nature of its business as described in Section 6.01(l).

(ii) Permit the Parent to have any material liabilities (other than liabilities arising under the Loan Documents), own any material assets (other than the Equity Interests of its Subsidiaries) or engage in any operations or business (other than the ownership of its Subsidiaries).

(e) Loans, Advances, Investments, Etc. Make or (unless the Obligations will be repaid in full upon consummation thereof) commit or agree to make, or permit any of its Subsidiaries to make or (unless the Obligations will be repaid in full upon consummation thereof) commit or agree to make, any Investment in any other Person except for Permitted Investments.

(f) Sale and Leaseback Transactions. Enter into, or permit any of its Subsidiaries to enter into, any Sale and Leaseback Transaction other than on customary arm's length market terms with respect to cultivation or dispensary facilities in New Jersey.

(g) [reserved]

(h) Restricted Payments. Make or permit any of its Subsidiaries to make any Restricted Payment other than Permitted Restricted Payments.

(i) Federal Reserve Regulations. Permit any Loan or the proceeds of any Loan under this Agreement to be used for any purpose that would cause such Loan to result in a violation of the provisions of Regulation T, U or X of the Board.

(j) Transactions with Affiliates. Enter into, renew, extend or be a party to, or permit any of its Subsidiaries to enter into, renew, extend or be a party to, any transaction or series of related transactions (including, without limitation, the purchase, sale, lease, transfer or exchange of property or assets of any kind or the rendering of services of any kind) with any Affiliate, except (i) transactions necessary or desirable for the prudent operation of its business, for fair consideration and on terms no less favorable to it or its Subsidiaries than would be obtainable in a comparable arm's length transaction with a Person that is not an Affiliate thereof, and that are fully disclosed to the Agents prior to the consummation thereof, if they involve one or more payments (in the form of cash, cash equivalents or any other assets) by the Parent or any of its Subsidiaries in excess of $[***] for any single transaction or series of related transactions, (ii) transactions with another Loan Party, and (iii) transactions permitted by Section 7.02(e) and Section 7.02(h).

(k) Limitations on Dividends and Other Payment Restrictions Affecting Subsidiaries. Create or otherwise cause, incur, assume, suffer or permit to exist or become effective any consensual encumbrance or restriction of any kind on the ability of any Subsidiary of any Loan Party (i) to pay dividends or to make any other distribution on any shares of Equity Interests of such Subsidiary owned by any Loan Party or any of its Subsidiaries, (ii) to pay or prepay or to subordinate any Indebtedness owed to any Loan Party or any of its Subsidiaries, (iii) to make loans or advances to any Loan Party or any of its Subsidiaries or (iv) to transfer any of its property or assets to any Loan Party or any of its Subsidiaries, or permit any of its Subsidiaries to do any of the foregoing; provided, however, that nothing in any of clauses (i) through (iv) of this Section 7.02(k) shall prohibit or restrict compliance with:

(A) this Agreement and the other Loan Documents;

(B) any agreement in effect on the date of this Agreement and described on Schedule 7.02(k) [Omitted pursuant to Item 601(a)(5) of Regulation S-K], or any extension, replacement or continuation of any such agreement; provided, that, any such encumbrance or restriction contained in such extended, replaced or continued agreement is no less favorable to the Agents and the Lenders than the encumbrance or restriction under or pursuant to the agreement so extended, replaced or continued;

(C) any applicable law, rule or regulation (including, without limitation, applicable currency control laws and applicable state corporate statutes restricting the payment of dividends in certain circumstances);

(D) in the case of clause (iv), (1) customary restrictions on the subletting, assignment or transfer of any specified property or asset set forth in a lease, license, asset sale agreement or similar contract for the conveyance of such property or asset and (2) instrument or other document evidencing a Permitted Lien (or the Indebtedness secured thereby) from restricting on customary terms the transfer of any property or assets subject thereto;

(E) customary restrictions on dispositions of real property interests in reciprocal easement agreements;

(F) customary restrictions in agreements for the sale of assets on the transfer or encumbrance of such assets during an interim period prior to the closing of the sale of such assets; or

(G) customary restrictions in contracts that prohibit the assignment of such contract.

(l) Limitations on Negative Pledges. Enter into, incur or permit to exist, or permit any Subsidiary to enter into, incur or permit to exist, directly or indirectly, any agreement, instrument, deed, lease or other arrangement that prohibits, restricts or imposes any condition upon the ability of any Loan Party or any Subsidiary of any Loan Party to create, incur or permit to exist any Lien upon any of its property or revenues, whether now owned or hereafter acquired, or that requires the grant of any security for an obligation if security is granted for another obligation, except the following: (i) this Agreement and the other Loan Documents, (ii) restrictions or conditions imposed by any agreement relating to secured Indebtedness permitted by Section 7.02(b) of this Agreement if such restrictions or conditions apply only to the property or assets securing such Indebtedness, (iii) any customary restrictions and conditions contained in agreements relating to the sale or other disposition of assets or of a Subsidiary pending such sale or other disposition; provided that such restrictions and conditions apply only to the assets or Subsidiary to be sold or disposed of and such sale or disposition is permitted hereunder, and (iv) customary provisions in leases restricting the assignment or sublet thereof.

(m) Modifications of Indebtedness, Organizational Documents and Certain Other Agreements; Etc.

(i) Amend, modify or otherwise change (or permit the amendment, modification or other change in any manner of) any of the provisions of any of its or its Subsidiaries' Indebtedness or of any instrument or agreement (including, without limitation, any purchase agreement, indenture, loan agreement or security agreement) relating to any such Indebtedness if such amendment, modification or change would shorten the final maturity or average life to maturity of, or require any payment to be made earlier than the date originally scheduled on, such Indebtedness, would increase the

interest rate applicable to such Indebtedness, would add any covenant or event of default, would change the subordination provision, if any, of such Indebtedness, or would otherwise be adverse to the Lenders or the issuer of such Indebtedness in any material respect;

(ii) except for the Obligations, (A) make any voluntary or optional payment (including, without limitation, any payment of interest in cash that, at the option of the issuer, may be paid in cash or in kind), prepayment, redemption, defeasance, sinking fund payment or other acquisition for value of any of its or its Subsidiaries' Indebtedness (including, without limitation, by way of depositing money or securities with the trustee therefor before the date required for the purpose of paying any portion of such Indebtedness when due), (B) refund, refinance, replace or exchange any other Indebtedness for any such Indebtedness (other than with respect to Permitted Refinancing Indebtedness), (C) make any payment, prepayment, redemption, defeasance, sinking fund payment or repurchase of any Subordinated Indebtedness in violation of the subordination provisions thereof or any subordination agreement with respect thereto, or (D) make any payment, prepayment, redemption, defeasance, sinking fund payment or repurchase of any Indebtedness as a result of any asset sale, change of control, issuance and sale of debt or equity securities or similar event, or give any notice with respect to any of the foregoing;

(iii) amend, modify or otherwise change any of its Governing Documents (including, without limitation, by the filing or modification of any certificate of designation, or any agreement or arrangement entered into by it) with respect to any of its Equity Interests (including any shareholders' agreement), or enter into any new agreement with respect to any of its Equity Interests, except any such amendments, modifications or changes or any such new agreements or arrangements pursuant to this clause (iii) that either individually or in the aggregate could not reasonably be expected to have a Material Adverse Effect, provided that no such amendment, modification or change or new agreement or arrangement shall provide for any plan of division pursuant to Section 18-217 of the Delaware Limited Liability Company Act (or any similar statute or provision under applicable law); or

(iv) agree to any amendment, modification or other change to or waiver of any of its rights under any Material Contract or any [REDACTED] if such amendment, modification, change or waiver would be adverse in any material respect to any Loan Party or any of its Subsidiaries or the Agents and the Lenders.

(n) Investment Company Act of 1940. Engage in any business, enter into any transaction, use any securities or take any other action or permit any of its Subsidiaries to do any of the foregoing, that would cause it or any of its Subsidiaries to become subject to the registration requirements of the Investment Company Act of 1940, as amended, by virtue of being an "investment company" or a company "controlled" by an "investment company" not entitled to an exemption within the meaning of such Act.

(o) ERISA. (i) Cause or fail to prevent, or permit any of its ERISA Affiliates to cause or fail to prevent, an ERISA Event, or (ii) adopt, or permit any of its ERISA Affiliates to adopt, any employee welfare benefit plan within the meaning of Section 3(1) of ERISA that provides benefits to employees after termination of employment other than as required by Section 601 of ERISA or other Requirements of Law.

(p) Environmental. Permit the use, handling, generation, storage, treatment, Release or disposal of Hazardous Materials at any property owned, leased or operated by it or any of its Subsidiaries, except in compliance in all material respects with Environmental Laws.

(q) Accounting Methods. Modify or change, or permit any of its Subsidiaries to modify or change, its method of accounting or accounting principles from those utilized in the preparation of the Financial Statements (other than as may be required to conform to GAAP).

(r) Sanctioned Persons; Anti-Corruption Laws; Anti-Money Laundering Laws.

(i) Conduct, nor permit any of its Subsidiaries to conduct, any business or engage in any transaction or deal with or for the benefit of any Sanctioned Person, including the making or receiving of any contribution of funds, goods or services to, from or for the benefit of any Sanctioned Person;

(ii) Use, nor permit any of its Subsidiaries to use, directly or indirectly, any of the proceeds of any Loan, (A) to fund any activities or business of or with any Sanctioned Person or in any other manner that would result in a violation of any Sanctions by any Person (including by any Person participating in any Loan, whether as underwriter, advisor, investor or otherwise), (B) for the purpose of an offer, payment, promise to pay, or authorization of the payment or giving of money, or anything else of value, to any Person in violation of any Anti-Corruption Law or (C) to finance, promote or otherwise support in any manner any violation of the Anti-Money Laundering Laws; or

(iii) Violate, attempt to violate, or engage in or conspire to engage in any transaction that evades or avoids, or has the purpose of evading or avoiding, any of the Sanctions, Anti-Corruption Laws or Anti-Money Laundering Laws.

(s) Federal Enforcement Priorities. Engage in, or permit any of its directors, executives, employees, consultants or agents to engage in, any of the following activities: (i) violence or the use of firearms in the conduct of any Cannabis Activities, (ii) growing Marijuana on any public lands,

(iii) possession or use of Marijuana on federal property; (iv) distribution of Marijuana to minors, except as authorized by state and municipal law for legitimate medical purposes; (v) transfer or delivery of Marijuana across state borders or outside the United States; (vi) association with any organized crime, cartel or drug trafficking organization in connection with its Cannabis Activities; or (vii) trafficking in any controlled substances other than to the extent permitted under a Material License pursuant to state and/or municipal law.

(t) Capex Contributions.

(i) Fail, on or prior to the first anniversary of the Effective Date, to have received Capex Contributions of at least $[***] in the aggregate.

(ii) Use any proceeds of Incremental Term Loans or Capex Contributions for any purpose other than to fund Capital Expenditures in respect of the renovation and expansion of cultivation and dispensary locations of the Borrower in New Jersey.

ARTICLE VIII

CASH MANAGEMENT ARRANGEMENTS AND OTHER COLLATERAL MATTERS

Section 8.01 Cash Management Arrangements. (a) The Loan Parties shall (i) establish and maintain cash management services of a type and on terms reasonably satisfactory to the Collateral Agent at one or more of the banks set forth on Schedule 8.01 [Omitted pursuant to Item 601(a)(5) of Regulation S-K] (each a "Cash Management Bank") and (ii) except as otherwise provided under Section 8.01(b), deposit or cause to be deposited promptly, and in any

event no later than the next Business Day after the date of receipt thereof, all proceeds in respect of any Collateral, all Collections (of a nature susceptible to a deposit in a bank account) and all other amounts received by any Loan Party (including payments made by Account Debtors directly to any Loan Party) into a Cash Management Account.

(b) On or prior to the Effective Date, the Loan Parties shall, with respect to each Cash Management Account (other than Excluded Accounts), deliver to the Collateral Agent a Control Agreement with respect to such Cash Management Account. The Loan Parties shall not maintain, and shall not permit any of their Subsidiaries to maintain, cash, Cash Equivalents or other amounts in any deposit account or securities account, unless the Collateral Agent shall have received a Control Agreement in respect of each such Cash Management Account (other than Excluded Accounts).

(c) So long as no Default or Event of Default has occurred and is continuing, the Collateral Agent will not issue to the Cash Management Bank a notice of exclusive control under the applicable Control Agreement.

(d) So long as no Default or Event of Default has occurred and is continuing, the Borrowers may amend Schedule 8.01 to add or replace a Cash Management Bank or Cash Management Account; provided, however, that (i) such prospective Cash Management Bank shall be reasonably satisfactory to the Collateral Agent and the Collateral Agent shall have consented in writing in advance to the opening of such Cash Management Account with the prospective Cash Management Bank, and (ii) prior to the time of the opening of such Cash Management Account, each Loan Party and such prospective Cash Management Bank shall have executed and delivered to the Collateral Agent a Control Agreement. Each Loan Party shall close any of its Cash Management Accounts (and establish replacement cash management accounts in accordance with the foregoing sentence) promptly and in any event within 30 days of notice from the Collateral Agent that the creditworthiness of any Cash Management Bank is no longer acceptable in the Collateral Agent's reasonable judgment, or that the operating performance, funds transfer, or availability procedures or performance of such Cash Management Bank with respect to Cash Management Accounts or the Collateral Agent's liability under any Control Agreement with such Cash Management Bank is no longer acceptable in the Collateral Agent's reasonable judgment.

ARTICLE IX

EVENTS OF DEFAULT

Section 9.01 Events of Default. Each of the following events shall constitute an event of default (each, an "Event of Default"):

(a) the Borrower shall fail to pay, when due (whether by scheduled maturity, required prepayment, acceleration, demand or otherwise), (i) any interest on any Loan or any fee, indemnity or other amount payable under this Agreement (other than any portion thereof constituting principal of the Loans) or any other Loan Document and such failure shall continue for three Business Days or (ii) all or any portion of the principal of the Loans;

(b) any representation or warranty made or deemed made by or on behalf of any Loan Party, Holdings or by any officer of the foregoing under or in connection with any Loan Document or under or in connection with any certificate or other writing delivered to any Secured Party pursuant to any Loan Document shall have been incorrect in any material respect (or in any respect if such representation or warranty is qualified or modified as to materiality or "Material Adverse Effect" in the text thereof) when made or deemed made;

(c) any Loan Party shall fail to perform or comply with any covenant or agreement contained in Section 7.01(a), Section 7.01(c), Section 7.01(d), Section 7.01(f), Section 7.01(h), Section 7.01(k), Section 7.01(m), Section 7.01(o), or Section 7.02 or Article VIII, or any Loan Party shall fail to perform or comply with any covenant or agreement contained in any Security Agreement to which it is a party or any Mortgage to which it is a party;

(d) (i) any Loan Party shall fail to perform or comply with any other term, covenant or agreement contained in any Loan Document to be performed or observed by it and, except as set forth in subsections (a), (b) and (c) of this Section 9.01, such failure, if capable of being remedied, shall remain unremedied for 30 days after the earlier of the date a senior officer of any Loan Party has knowledge of such failure and the date written notice of such default shall have been given by any Agent to such Loan Party or (ii) Holdings shall fail to perform or comply with any covenant or agreement contained in any Loan Document to which it is a party and such failure, if capable of being remedied, shall remain unremedied after the expiration of any applicable grace or cure period, if any;

(e) Holdings or any of its Subsidiaries shall fail to pay when due (whether by scheduled maturity, required prepayment, acceleration, demand or otherwise) any principal, interest or other amount payable in respect of Indebtedness (excluding Indebtedness evidenced by this Agreement) having an aggregate amount outstanding in excess of $[***], and such failure shall continue after the applicable grace period, if any, specified in the agreement or instrument relating to such Indebtedness, or any other default under any agreement or instrument relating to any such Indebtedness, or any other event, shall occur and shall continue after the applicable grace period, if any, specified in such agreement or instrument, if the effect of such default or event is to accelerate, or to permit the acceleration of, the maturity of such Indebtedness; or any such Indebtedness shall be declared to be due and payable, or required to be prepaid (other than by a regularly scheduled required prepayment), redeemed, purchased or defeased or an offer to prepay, redeem, purchase or defease such Indebtedness shall be required to be made, in each case, prior to the stated maturity thereof;

(f) the Parent or any of its Material Subsidiaries or Holdings (i) shall institute any proceeding or voluntary case seeking to adjudicate it a bankrupt or insolvent, or seeking dissolution, liquidation, winding up, reorganization, arrangement, adjustment, protection, relief or composition of it or its debts under any law relating to bankruptcy, insolvency, reorganization or relief of debtors, or seeking the entry of an order for relief or the appointment of a receiver, trustee, custodian or other similar official for any such Person or for any substantial part of its property, (ii) shall be generally not paying its debts as such debts become due or shall admit in writing its inability to pay its debts generally, (iii) shall make a general assignment for the benefit of creditors, or (iv) shall take any action to authorize or effect any of the actions set forth above in this subsection (f);

(g) any proceeding shall be instituted against the Parent or any of its Material Subsidiaries or Holdings seeking to adjudicate it a bankrupt or insolvent, or seeking dissolution, liquidation, winding up, reorganization, arrangement, adjustment, protection, relief of debtors, or seeking the entry of an order for relief or the appointment of a receiver, trustee, custodian or other similar official for any such Person or for any substantial part of its property, and either such proceeding shall remain undismissed or unstayed for a period of 60 days or any of the actions sought in such proceeding (including, without limitation, the entry of an order for relief against any such Person or the appointment of a receiver, trustee, custodian or other similar official for it or for any substantial part of its property) shall occur;

(h) any material provision of any Loan Document shall at any time for any reason (other than pursuant to the express terms thereof) cease to be valid and binding on or enforceable against any Loan Party or Holdings intended to be a party thereto, or the validity or enforceability thereof shall be contested by any party thereto, or a proceeding shall be commenced by any Loan Party, Holdings or any

Governmental Authority having jurisdiction over any of them, seeking to establish the invalidity or unenforceability thereof, or any Loan Party or Holdings shall deny in writing that it has any liability or obligation purported to be created under any Loan Document;

(i) any Security Agreement, any Mortgage or any other security document, after delivery thereof pursuant hereto, shall for any reason fail or cease to create a valid and perfected and, except to the extent permitted by the terms hereof or thereof, first priority Lien in favor of the Collateral Agent for the benefit of the Agents and the Lenders on any Collateral purported to be covered thereby;

(j) one or more judgments, orders or awards (or any settlement of any litigation or other proceeding that, if breached, could result in a judgment, order or award) for the payment of money exceeding $[***] in the aggregate (except to the extent fully covered (other than to the extent of customary deductibles) by insurance pursuant to which the insurer has been notified and has not denied coverage) shall be rendered against Holdings or any of its Subsidiaries and remain unsatisfied and (i) enforcement proceedings shall have been commenced by any creditor upon any such judgment, order, award or settlement or (ii) there shall be a period of 15 consecutive days after entry thereof during which (A) a stay of enforcement thereof is not be in effect or (B) the same is not vacated, discharged, stayed or bonded pending appeal;

(k) Holdings or any of its Subsidiaries is enjoined, restrained or in any way prevented by the order of any court or any Governmental Authority from conducting, or otherwise ceases to conduct for any reason whatsoever, all or any material part of its business for more than 15 days;

(l) any material damage to, or loss, theft or destruction of, any Collateral, whether or not insured, or any strike, lockout, labor dispute, embargo, condemnation, epidemic or pandemic, act of God or public enemy, or other casualty which causes, for more than 15 consecutive days, the cessation or substantial curtailment of revenue producing activities at any facility of any Loan Party, if any such event or circumstance could reasonably be expected to have a Material Adverse Effect;

(m) (i) the loss, suspension, revocation, rescission, or failure to renew any Material License; or (ii) the loss, suspension, revocation, rescission or failure to renew any other license or permit now held or hereafter acquired by any Loan Party, if such loss, suspension, revocation or failure to renew could reasonably be expected to have a Material Adverse Effect;

(n) the commencement of criminal charges, by indictment or otherwise, against Holdings or any of its Subsidiaries or any senior officer thereof under any criminal statute, or the commencement of civil proceedings against Holdings or any of its Subsidiaries pursuant to which proceedings the penalties or remedies sought or available include forfeiture to any Governmental Authority of any material portion of the property of Holdings or such Subsidiary;

(o) (i) there shall occur one or more ERISA Events that individually or in the aggregate results in, or could reasonably be expected to result in, liability of any Loan Party or any of its ERISA Affiliates in excess of $[***], or (ii) there exists any fact or circumstance that could reasonably be expected to result in the imposition of a Lien pursuant to Section 430(k) of the Internal Revenue Code or Section 4068 of ERISA upon the property or rights to property of any Loan Party or any of its ERISA Affiliates; or

(p) a Change of Control shall have occurred;

then, and in any such event, the Collateral Agent may, and shall at the request of the Required Lenders, by notice to the Borrower, (i) declare all or any portion of the Loans then outstanding to be accelerated and

due and payable, whereupon all or such portion of the aggregate principal of all Loans, all accrued and unpaid interest thereon, all fees and all other amounts payable under this Agreement and the other Loan Documents shall become due and payable immediately, together with the payment of the Applicable Premium with respect to the Commitments so terminated and the Loans so repaid, without presentment, demand, protest or further notice of any kind, all of which are hereby expressly waived by each Loan Party and (ii) exercise any and all of its other rights and remedies under applicable law, hereunder and under the other Loan Documents; provided, however, that upon the occurrence of any Event of Default described in subsection (f) or (g) of this Section 9.01 with respect to any Loan Party, without any notice to any Loan Party or any other Person or any act by any Agent or any Lender, all Commitments shall automatically terminate and all Loans then outstanding, together with all accrued and unpaid interest thereon, all fees and all other amounts due under this Agreement and the other Loan Documents, including, without limitation, the Applicable Premium, shall be accelerated and become due and payable automatically and immediately, without presentment, demand, protest or notice of any kind, all of which are expressly waived by each Loan Party.

ARTICLE X

AGENTS

Section 10.01 Appointment. Each Lender (and each subsequent maker of any Loan by its making thereof) hereby irrevocably appoints, authorizes and empowers the Administrative Agent and the Collateral Agent to perform the duties of each such Agent as set forth in this Agreement and the other Loan Documents, together with such actions and powers as are reasonably incidental thereto, including: (i) to receive on behalf of each Lender any payment of principal of or interest on the Loans outstanding hereunder and all other amounts accrued hereunder for the account of the Lenders and paid to such Agent, and, subject to Section 2.02 of this Agreement, to distribute promptly to each Lender its Pro Rata Share of all payments so received; (ii) to distribute to each Lender copies of all material notices and agreements received by such Agent and not required to be delivered to each Lender pursuant to the terms of this Agreement, provided that the Agents shall not have any liability to the Lenders for any Agent's inadvertent failure to distribute any such notices or agreements to the Lenders; (iii) to maintain, in accordance with its customary business practices, ledgers and records reflecting the status of the Obligations, the Loans, and related matters and to maintain, in accordance with its customary business practices, ledgers and records reflecting the status of the Collateral and related matters; (iv) to execute or file any and all financing or similar statements or notices, amendments, renewals, supplements, documents, instruments, proofs of claim, notices and other written agreements with respect to this Agreement or any other Loan Document; (v) to make the Loans and Collateral Agent Advances, for such Agent or on behalf of the applicable Lenders as provided in this Agreement or any other Loan Document; (vi) to perform, exercise, and enforce any and all other rights and remedies of the Lenders with respect to the Loan Parties, the Obligations, or otherwise related to any of same to the extent reasonably incidental to the exercise by such Agent of the rights and remedies specifically authorized to be exercised by such Agent by the terms of this Agreement or any other Loan Document; (vii) to incur and pay such fees necessary or appropriate for the performance and fulfillment of its functions and powers pursuant to this Agreement or any other Loan Document; (viii) subject to Section 10.03, to take such action as such Agent deems appropriate on its behalf to administer the Loans and the Loan Documents and to exercise such other powers delegated to such Agent by the terms hereof or the other Loan Documents (including, without limitation, the power to give or to refuse to give notices, waivers, consents, approvals and instructions and the power to make or to refuse to make determinations and calculations); and (ix) to act with respect to all Collateral under the Loan Documents, including for purposes of acquiring, holding and enforcing any and all Liens on Collateral granted by any of the Loan Parties to secure any of the Obligations. As to any matters not expressly provided for by this Agreement and the other Loan Documents (including, without limitation, enforcement or collection of the Loans), the Agents shall not be required to exercise any discretion or take any action, but shall be required

to act or to refrain from acting (and shall be fully protected in so acting or refraining from acting) upon the instructions of the Required Lenders (or such other number or percentage of the Lenders as shall be expressly provided for herein or in the other Loan Documents), and such instructions of the Required Lenders (or such other number or percentage of the Lenders as shall be expressly provided for herein or in the other Loan Documents) shall be binding upon all Lenders and all makers of Loans; provided, however, that the Agents shall not be required to take any action which, in the reasonable opinion of any Agent, exposes such Agent to liability or which is contrary to this Agreement or any other Loan Document or applicable law.

Section 10.02 Nature of Duties; Delegation. (a) The Agents shall have no duties or responsibilities except those expressly set forth in this Agreement or in the other Loan Documents. The duties of the Agents shall be mechanical and administrative in nature. The Agents shall not have by reason of this Agreement or any other Loan Document a fiduciary relationship in respect of any Lender. Nothing in this Agreement or any other Loan Document, express or implied, is intended to or shall be construed to impose upon the Agents any obligations in respect of this Agreement or any other Loan Document except as expressly set forth herein or therein. Each Lender shall make its own independent investigation of the financial condition and affairs of the Loan Parties in connection with the making and the continuance of the Loans hereunder and shall make its own appraisal of the creditworthiness of the Loan Parties and the value of the Collateral without reliance upon the Administrative Agent or any other Lender or any of their Related Parties, and neither the Agents nor any of their Related Parties shall have any duty or responsibility, either initially or on a continuing basis, to provide any Lender with any credit or other information with respect thereto, whether coming into their possession before the initial Loan hereunder or at any time or times thereafter, provided that, upon the reasonable request of a Lender, each Agent shall provide to such Lender any documents or reports delivered to such Agent by the Loan Parties pursuant to the terms of this Agreement or any other Loan Document. If any Agent seeks the consent or approval of the Required Lenders (or such other number or percentage of the Lenders as shall be expressly provided for herein or in the other Loan Documents) to the taking or refraining from taking any action hereunder, such Agent shall send notice thereof to each Lender. Each Agent shall promptly notify each Lender any time that the Required Lenders (or such other number or percentage of the Lenders as shall be expressly provided for herein or in the other Loan Documents) have instructed such Agent to act or refrain from acting pursuant hereto.

(b) Each Agent may, upon any term or condition it specifies, delegate or exercise any of its rights, powers and remedies under, and delegate or perform any of its duties or any other action with respect to, any Loan Document by or through any of its Related Parties or any other trustee, co-agent or other Person (including any Lender). Any such Related Party, trustee, co-agent or other Person shall benefit from this Article X to the extent provided by the applicable Agent.

Section 10.03 Rights, Exculpation, Etc. The Agents and their Related Parties shall not be liable for any action taken or omitted to be taken by them under or in connection with this Agreement or the other Loan Documents, except for their own gross negligence or willful misconduct as determined by a final non-appealable judgment of a court of competent jurisdiction. Without limiting the generality of the foregoing, the Agents (i) may treat the payee of any Loan as the owner thereof until the Collateral Agent receives written notice of the assignment or transfer thereof, pursuant to Section 12.07 hereof, signed by such payee and in form satisfactory to the Collateral Agent; (ii) may consult with legal counsel (including, without limitation, counsel to any Agent or counsel to the Loan Parties), independent public accountants, and other experts selected by any of them and shall not be liable for any action taken or omitted to be taken in good faith by any of them in accordance with the advice of such counsel or experts; (iii) make no warranty or representation to any Lender and shall not be responsible to any Lender for any statements, certificates, warranties or representations made in or in connection with this Agreement or the other Loan Documents; (iv) shall not have any duty to ascertain or to inquire as to the performance or observance of any of the

terms, covenants or conditions of this Agreement or the other Loan Documents on the part of any Person, the existence or possible existence of any Default or Event of Default, or to inspect the Collateral or other property (including, without limitation, the books and records) of any Person; (v) shall not be responsible to any Lender for the due execution, legality, validity, enforceability, genuineness, sufficiency or value of this Agreement or the other Loan Documents or any other instrument or document furnished pursuant hereto or thereto; and (vi) shall not be deemed to have made any representation or warranty regarding the existence, value or collectibility of the Collateral, the existence, priority or perfection of the Collateral Agent's Lien thereon, or any certificate prepared by any Loan Party in connection therewith, nor shall the Agents be responsible or liable to the Lenders for any failure to monitor or maintain any portion of the Collateral. The Agents shall not be liable for any apportionment or distribution of payments made in good faith pursuant to Section 4.03, and if any such apportionment or distribution is subsequently determined to have been made in error, and the sole recourse of any Lender to whom payment was due but not made shall be to recover from other Lenders any payment in excess of the amount which they are determined to be entitled. The Agents may at any time request instructions from the Lenders with respect to any actions or approvals which by the terms of this Agreement or of any of the other Loan Documents the Agents are permitted or required to take or to grant, and if such instructions are promptly requested, the Agents shall be absolutely entitled to refrain from taking any action or to withhold any approval under any of the Loan Documents until they shall have received such instructions from the Required Lenders. Without limiting the foregoing, no Lender shall have any right of action whatsoever against any Agent as a result of such Agent acting or refraining from acting under this Agreement or any of the other Loan Documents in accordance with the instructions of the Required Lenders (or such other number or percentage of the Lenders as shall be expressly provided for herein or in the other Loan Documents).

Section 10.04 Reliance. Each Agent shall be entitled to rely upon any written notices, statements, certificates, orders or other documents or any telephone message believed by it in good faith to be genuine and correct and to have been signed, sent or made by the proper Person, and with respect to all matters pertaining to this Agreement or any of the other Loan Documents and its duties hereunder or thereunder, upon advice of counsel selected by it.

Section 10.05 Indemnification. To the extent that any Agent or any Related Party of the foregoing is not reimbursed and indemnified by any Loan Party, and whether or not such Agent has made demand on any Loan Party for the same, the Lenders will, within five days of written demand by such Agent, reimburse such Agent and such Related Parties for and indemnify such Agent and such Related Parties from and against any and all liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses (including, without limitation, client charges and expenses of counsel or any other advisor to such Agent and such Related Parties), advances or disbursements of any kind or nature whatsoever which may be imposed on, incurred by, or asserted against such Agent and the Related Parties in any way relating to or arising out of this Agreement or any of the other Loan Documents or any action taken or omitted by such Agent and such Related Parties under this Agreement or any of the other Loan Documents, in proportion to each Lender's Pro Rata Share, including, without limitation, advances and disbursements made pursuant to Section 10.08; provided, however, that no Lender shall be liable for any portion of such liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses, advances or disbursements for which there has been a final non-appealable judicial determination that such liability resulted from such Agent's or such Related Party's gross negligence or willful misconduct. The obligations of the Lenders under this Section 10.05 shall survive the payment in full of the Loans and the termination of this Agreement.

Section 10.06 Agents Individually. With respect to its Pro Rata Share of the Total Term Loan Commitment hereunder and the Loans made by it, each Agent shall have and may exercise the same rights and powers hereunder and is subject to the same obligations and liabilities as and to the extent set forth herein for any other Lender or maker of a Loan. The terms "Lenders" or "Required Lenders" or any

similar terms shall, unless the context clearly otherwise indicates, include each Agent in its individual capacity as a Lender or one of the Required Lenders. Each Agent and its Affiliates may accept deposits from, lend money to, and generally engage in any kind of banking, trust or other business with the Borrower as if it were not acting as an Agent pursuant hereto without any duty to account to the other Lenders.

Section 10.07 Successor Agent. (a) Any Agent may at any time give at least 30 days prior written notice of its resignation to the Lenders and the Borrower. Upon receipt of any such notice of resignation, the Required Lenders shall have the right to appoint a successor Agent reasonably satisfactory to the Borrower. If no such successor Agent shall have been so appointed by the Required Lenders and shall have accepted such appointment within 30 days after the retiring Agent gives notice of its resignation (or such earlier day as shall be agreed by the Required Lenders) (the "Resignation Effective Date"), then the retiring Agent may (but shall not be obligated to), on behalf of the Lenders, appoint a successor Agent. Whether or not a successor Agent has been appointed, such resignation shall become effective in accordance with such notice on the Resignation Effective Date.

(b) With effect from the Resignation Effective Date, (i) the retiring Agent shall be discharged from its duties and obligations hereunder and under the other Loan Documents (except that in the case of any Collateral held by such Agent on behalf of the Lenders under any of the Loan Documents, the retiring Agent shall continue to hold such collateral security until such time as a successor Agent is appointed) and (ii) all payments, communications and determinations provided to be made by, to or through such retiring Agent shall instead be made by or to each Lender directly, until such time, if any, as a successor Agent shall have been appointed as provided for above. Upon the acceptance of a successor's Agent's appointment as Agent hereunder, such successor shall succeed to and become vested with all of the rights, powers, privileges and duties of the retiring Agent, and the retiring Agent shall be discharged from all of its duties and obligations hereunder or under the other Loan Documents. After the retiring Agent's resignation hereunder and under the other Loan Documents, the provisions of this Article, Section 12.04 and Section 12.15 shall continue in effect for the benefit of such retiring Agent, its sub-agents and their respective Related Parties in respect of any actions taken or omitted to be taken by it while the retiring Agent was acting as Agent.

Section 10.08 Collateral Matters.

(a) The Collateral Agent may from time to time make such disbursements and advances ("Collateral Agent Advances") which the Collateral Agent, in its sole discretion, deems necessary or desirable to preserve, protect, prepare for sale or lease or dispose of the Collateral or any portion thereof, to enhance the likelihood or maximize the amount of repayment by the Borrower of the Loans and other Obligations or to pay any other amount chargeable to the Borrower pursuant to the terms of this Agreement, including, without limitation, costs, fees and expenses as described in Section 12.04. The Collateral Agent Advances shall be repayable on demand and be secured by the Collateral and shall bear interest at a rate per annum equal to the rate of interest applicable to the Loans as in effect from time to time pursuant to the terms of this Agreement. The Collateral Agent Advances shall constitute Obligations hereunder which may be charged to the Loan Account in accordance with Section 4.01. The Collateral Agent shall notify each Lender and the Borrower in writing of each such Collateral Agent Advance, which notice shall include a description of the purpose of such Collateral Agent Advance. Without limitation to its obligations pursuant to Section 10.05, each Lender agrees that it shall make available to the Collateral Agent, upon the Collateral Agent's demand, in Dollars in immediately available funds, the amount equal to such Lender's Pro Rata Share of each such Collateral Agent Advance. If such funds are not made available to the Collateral Agent by such Lender, the Collateral Agent shall be entitled to recover such funds on demand from such Lender, together with interest thereon for each day from the date such payment was due until the date such amount is paid to the Collateral Agent, at the rate of interest applicable to the Loans as in effect from time to time pursuant to the terms of this Agreement.

(b) The Lenders hereby irrevocably authorize the Collateral Agent, at its option and in its discretion, to release any Lien granted to or held by the Collateral Agent upon any Collateral upon payment and satisfaction of all Loans, and all other Obligations (other than Contingent Indemnity Obligations) in accordance with the terms hereof; or constituting property being sold or disposed of in the ordinary course of any Loan Party's business or otherwise in compliance with the terms of this Agreement and the other Loan Documents; or constituting property in which the Loan Parties owned no interest at the time the Lien was granted or at any time thereafter; or if approved, authorized or ratified in writing by the Lenders in accordance with Section 12.02. Upon request by the Collateral Agent at any time, the Lenders will confirm in writing the Collateral Agent's authority to release particular types or items of Collateral pursuant to this Section 10.08(b).

(c) Without in any manner limiting the Collateral Agent's authority to act without any specific or further authorization or consent by the Lenders (as set forth in Section 10.08(b)), each Lender agrees to confirm in writing, upon request by the Collateral Agent, the authority to release Collateral conferred upon the Collateral Agent under Section 10.08(b). Upon receipt by the Collateral Agent of confirmation from the Lenders of its authority to release any particular item or types of Collateral, and upon prior written request by any Loan Party, the Collateral Agent shall (and is hereby irrevocably authorized by the Lenders to) execute such documents as may be necessary to evidence the release of the Liens granted to the Collateral Agent for the benefit of the Agents and the Lenders upon such Collateral; provided, however, that (i) the Collateral Agent shall not be required to execute any such document on terms which, in the Collateral Agent's opinion, would expose the Collateral Agent to liability or create any obligations or entail any consequence other than the release of such Liens without recourse or warranty, and (ii) such release shall not in any manner discharge, affect or impair the Obligations or any Lien upon (or obligations of any Loan Party in respect of) all interests in the Collateral retained by any Loan Party.

(d) Anything contained in any of the Loan Documents to the contrary notwithstanding, the Loan Parties, each Agent and each Lender hereby agree that (i) no Lender shall have any right individually to realize upon any of the Collateral under any Loan Document or to enforce any Guaranty, it being understood and agreed that all powers, rights and remedies under the Loan Documents may be exercised solely by the Collateral Agent for the benefit of the Lenders in accordance with the terms thereof, (ii) in the event of a foreclosure by the Collateral Agent on any of the Collateral pursuant to a public or private sale, the Administrative Agent, the Collateral Agent or any Lender may be the purchaser of any or all of such Collateral at any such sale and (iii) the Collateral Agent, as agent for and representative of the Agents and the Lenders (but not any other Agent or any Lender or Lenders in its or their respective individual capacities unless the Required Lenders shall otherwise agree in writing) shall be entitled (either directly or through one or more acquisition vehicles) for the purpose of bidding and making settlement or payment of the purchase price for all or any portion of the Collateral to be sold (A) at any public or private sale, (B) at any sale conducted by the Collateral Agent under the provisions of the Uniform Commercial Code (including pursuant to Sections 9-610 or 9-620 of the Uniform Commercial Code), (C) at any sale or foreclosure conducted by the Collateral Agent (whether by judicial action or otherwise) in accordance with applicable law or (D) any sale conducted pursuant to the provisions of any Debtor Relief Law (including Section 363 of the Bankruptcy Code), to use and apply all or any of the Obligations as a credit on account of the purchase price for any Collateral payable by the Collateral Agent at such sale.

(e) The Collateral Agent shall have no obligation whatsoever to any Lender to assure that the Collateral exists or is owned by the Loan Parties or is cared for, protected or insured or has been encumbered or that the Lien granted to the Collateral Agent pursuant to this Agreement or any other Loan Document has been properly or sufficiently or lawfully created, perfected, protected or enforced or is entitled to any particular priority, or to exercise at all or in any particular manner or under any duty of care, disclosure or fidelity, or to continue exercising, any of the rights, authorities and powers granted or available to the Collateral Agent in this Section 10.08 or in any other Loan Document, it being understood and agreed

that in respect of the Collateral, or any act, omission or event related thereto, the Collateral Agent may act in any manner it may deem appropriate, in its sole discretion, given the Collateral Agent's own interest in the Collateral as one of the Lenders and that the Collateral Agent shall have no duty or liability whatsoever to any other Lender, except as otherwise provided herein.

Section 10.09 Agency for Perfection. Each Agent and each Lender hereby appoints each other Agent and each other Lender as agent and bailee for the purpose of perfecting the security interests in and liens upon the Collateral in assets which, in accordance with Article 9 of the Uniform Commercial Code, can be perfected only by possession or control (or where the security interest of a secured party with possession or control has priority over the security interest of another secured party) and each Agent and each Lender hereby acknowledges that it holds possession of or otherwise controls any such Collateral for the benefit of the Agents and the Lenders as secured party. Should the Administrative Agent or any Lender obtain possession or control of any such Collateral, the Administrative Agent or such Lender shall notify the Collateral Agent thereof, and, promptly upon the Collateral Agent's request therefor shall deliver such Collateral to the Collateral Agent or in accordance with the Collateral Agent's instructions. In addition, the Collateral Agent shall also have the power and authority hereunder to appoint such other sub-agents as may be necessary or required under applicable state law or otherwise to perform its duties and enforce its rights with respect to the Collateral and under the Loan Documents. Each Loan Party by its execution and delivery of this Agreement hereby consents to the foregoing.

Section 10.10 No Reliance on any Agent's Customer Identification Program. Each Lender acknowledges and agrees that neither such Lender, nor any of its Affiliates, participants or assignees, may rely on any Agent to carry out such Lender's, Affiliate's, participant's or assignee's customer identification program, or other requirements imposed by the USA PATRIOT Act or the regulations issued thereunder, including the regulations set forth in 31 C.F.R. §§ 1010.100(yy), (iii), 1020.100, and 1020.220 (formerly 31 C.F.R. § 103.121), as hereafter amended or replaced ("CIP Regulations"), or any other Anti-Money Laundering Laws, including any programs involving any of the following items relating to or in connection with any of the Loan Parties, their Affiliates or their agents, the Loan Documents or the transactions hereunder or contemplated hereby: (1) any identity verification procedures, (2) any recordkeeping, (3) comparisons with government lists, (4) customer notices or (5) other procedures required under the CIP Regulations or other regulations issued under the USA PATRIOT Act. Each Lender, Affiliate, participant or assignee subject to Section 326 of the USA PATRIOT Act will perform the measures necessary to satisfy its own responsibilities under the CIP Regulations.

Section 10.11 No Third Party Beneficiaries. The provisions of this Article are solely for the benefit of the Secured Parties, and no Loan Party shall have rights as a third-party beneficiary of any of such provisions.

Section 10.12 No Fiduciary Relationship. It is understood and agreed that the use of the term "agent" herein or in any other Loan Document (or any other similar term) with reference to any Agent is not intended to connote any fiduciary or other implied (or express) obligations arising under agency doctrine of any applicable law. Instead such term is used as a matter of market custom, and is intended to create or reflect only an administrative relationship between contracting parties.

Section 10.13 Reports; Confidentiality; Disclaimers. By becoming a party to this Agreement, each Lender:

(a) is deemed to have requested that each Agent furnish such Lender, promptly after it becomes available, a copy of each field audit or examination report with respect to the Parent or any of its Subsidiaries (each, a "Report") prepared by or at the request of such Agent, and each Agent shall so furnish each Lender with each such Report,

(b) expressly agrees and acknowledges that the Agents (i) do not make any representation or warranty as to the accuracy of any Reports, and (ii) shall not be liable for any information contained in any Reports,

(c) expressly agrees and acknowledges that the Reports are not comprehensive audits or examinations, that any Agent or other party performing any audit or examination will inspect only specific information regarding the Parent and its Subsidiaries and will rely significantly upon the Parent's and its Subsidiaries' books and records, as well as on representations of their personnel,

(d) agrees to keep all Reports and other material, non-public information regarding the Parent and its Subsidiaries and their operations, assets, and existing and contemplated business plans in a confidential manner in accordance with Section 12.19, and

(e) without limiting the generality of any other indemnification provision contained in this Agreement, agrees: (i) to hold any Agent and any other Lender preparing a Report harmless from any action the indemnifying Lender may take or fail to take or any conclusion the indemnifying Lender may reach or draw from any Report in connection with any loans or other credit accommodations that the indemnifying Lender has made or may make to the Borrower, or the indemnifying Lender's participation in, or the indemnifying Lender's purchase of, a loan or loans of the Borrower, and (ii) to pay and protect, and indemnify, defend and hold any Agent and any other Lender costs, expenses, and other amounts (including, attorneys' fees and costs) incurred by any such Agent and any such other Lender preparing a Report as the direct or indirect result of any third parties who might obtain all or part of any Report through the indemnifying Lender.

Section 10.14 Collateral Custodian. Upon the occurrence and during the continuance of any Default or Event of Default, the Collateral Agent or its designee may at any time and from time to time employ and maintain on the premises of any Loan Party a custodian selected by the Collateral Agent or its designee who shall have full authority to do all acts necessary to protect the Agents' and the Lenders' interests. Each Loan Party hereby agrees to, and to cause its Subsidiaries to, cooperate with any such custodian and to do whatever the Collateral Agent or its designee may reasonably request to preserve the Collateral. All costs and expenses incurred by the Collateral Agent or its designee by reason of the employment of the custodian shall be the responsibility of the Borrower and charged to the Loan Account.

Section 10.15 Collateral Agent May File Proofs of Claim. In case of the pendency of any proceeding under any Debtor Relief Law or any other judicial proceeding relative to any Loan Party, the Collateral Agent (irrespective of whether the principal of any Loan shall then be due and payable as herein expressed or by declaration or otherwise and irrespective of whether any Agent shall have made any demand on the Borrower) shall be entitled and empowered (but not obligated) by intervention in such proceeding or otherwise:

(a) to file and prove a claim for the whole amount of the principal and interest owing and unpaid in respect of the Loans and all other Obligations that are owing and unpaid and to file such other documents as may be necessary or advisable in order to have the claims of the Secured Parties (including any claim for the compensation, expenses, disbursements and advances of the Secured Parties and their respective agents and counsel and all other amounts due the Secured Parties hereunder and under the other Loan Documents) allowed in such judicial proceeding; and

(b) to collect and receive any monies or other property payable or deliverable on any such claims and to distribute the same;

and any custodian, receiver, assignee, trustee, liquidator, sequestrator or other similar official in any such judicial proceeding is hereby authorized by each Secured Party to make such payments to the Collateral Agent and, in the event that the Collateral Agent shall consent to the making of such payments directly to the Secured Parties, to pay to the Collateral Agent any amount due for the reasonable compensation, expenses, disbursements and advances of the Collateral Agent and its agents and counsel, and any other amounts due the Collateral Agent hereunder and under the other Loan Documents.

ARTICLE XI

GUARANTY

Section 11.01 Guaranty. Each Guarantor hereby jointly and severally and unconditionally and irrevocably guarantees the punctual payment when due, whether at stated maturity, by acceleration or otherwise, of all Obligations of the Borrower now or hereafter existing under any Loan Document, whether for principal, interest (including, without limitation, all interest that accrues after the commencement of any Insolvency Proceeding of the Borrower, whether or not a claim for post-filing interest is allowed in such Insolvency Proceeding), fees, commissions, expense reimbursements, indemnifications or otherwise (such obligations, to the extent not paid by the Borrower, being the "Guaranteed Obligations"), and agrees to pay any and all expenses (including reasonable counsel fees and expenses) incurred by the Secured Parties in enforcing any rights under the guaranty set forth in this Article XI. Without limiting the generality of the foregoing, each Guarantor's liability shall extend to all amounts that constitute part of the Guaranteed Obligations and would be owed by the Borrower to the Secured Parties under any Loan Document but for the fact that they are unenforceable or not allowable due to the existence of an Insolvency Proceeding involving the Borrower.

Section 11.02 Guaranty Absolute. Each Guarantor jointly and severally guarantees that the Guaranteed Obligations will be paid strictly in accordance with the terms of the Loan Documents, regardless of any law, regulation or order now or hereafter in effect in any jurisdiction affecting any of such terms or the rights of the Secured Parties with respect thereto. Each Guarantor agrees that this Article XI constitutes a guaranty of payment when due and not of collection and waives any right to require that any resort be made by any Agent or any Lender to any Collateral. The obligations of each Guarantor under this Article XI are independent of the Guaranteed Obligations, and a separate action or actions may be brought and prosecuted against each Guarantor to enforce such obligations, irrespective of whether any action is brought against any Loan Party or whether any Loan Party is joined in any such action or actions. The liability of each Guarantor under this Article XI shall be irrevocable, absolute and unconditional irrespective of, and each Guarantor hereby irrevocably waives any defenses it may now or hereafter have in any way relating to, any or all of the following:

(a) any lack of validity or enforceability of any Loan Document or any agreement or instrument relating thereto;

(b) any change in the time, manner or place of payment of, or in any other term of, all or any of the Guaranteed Obligations, or any other amendment or waiver of or any consent to departure from any Loan Document, including, without limitation, any increase in the Guaranteed Obligations resulting from the extension of additional credit to any Loan Party or otherwise;

(c) any taking, exchange, release or non-perfection of any Collateral, or any taking, release or amendment or waiver of or consent to departure from any other guaranty, for all or any of the Guaranteed Obligations;

(d) the existence of any claim, set-off, defense or other right that any Guarantor may have at any time against any Person, including, without limitation, any Secured Party;

(e) any change, restructuring or termination of the corporate, limited liability company or partnership structure or existence of any Loan Party; or

(f) any other circumstance (including, without limitation, any statute of limitations) or any existence of or reliance on any representation by the Secured Parties that might otherwise constitute a defense available to, or a discharge of, any Loan Party or any other guarantor or surety.

This Article XI shall continue to be effective or be reinstated, as the case may be, if at any time any payment of any of the Guaranteed Obligations is rescinded or must otherwise be returned by Secured Parties or any other Person upon the insolvency, bankruptcy or reorganization of the Borrower or otherwise, all as though such payment had not been made.

Section 11.03 Waiver. Each Guarantor hereby waives (i) promptness and diligence, (ii) notice of acceptance and any other notice with respect to any of the Guaranteed Obligations and this Article XI and any requirement that the Secured Parties exhaust any right or take any action against any Loan Party or any other Person or any Collateral, (iii) any right to compel or direct any Secured Party to seek payment or recovery of any amounts owed under this Article XI from any one particular fund or source or to exhaust any right or take any action against any other Loan Party, any other Person or any Collateral, (iv) any requirement that any Secured Party protect, secure, perfect or insure any security interest or Lien on any property subject thereto or exhaust any right to take any action against any Loan Party, any other Person or any Collateral, and (v) any other defense available to any Guarantor. Each Guarantor agrees that the Secured Parties shall have no obligation to marshal any assets in favor of any Guarantor or against, or in payment of, any or all of the Obligations. Each Guarantor acknowledges that it will receive direct and indirect benefits from the financing arrangements contemplated herein and that the waiver set forth in this Section 11.03 is knowingly made in contemplation of such benefits. Each Guarantor hereby waives any right to revoke this Article XI, and acknowledges that this Article XI is continuing in nature and applies to all Guaranteed Obligations, whether existing now or in the future.

Section 11.04 Continuing Guaranty; Assignments. This Article XI is a continuing guaranty and shall (a) remain in full force and effect until the later of the cash payment in full of the Guaranteed Obligations (other than Contingent Indemnity Obligations) and all other amounts payable under this Article XI and the Final Maturity Date, (b) be binding upon each Guarantor, its successors and assigns and (c) inure to the benefit of and be enforceable by the Secured Parties and their successors, pledgees, transferees and assigns. Without limiting the generality of the foregoing clause (c), any Lender may pledge, assign or otherwise transfer all or any portion of its rights and obligations under this Agreement (including, without limitation, all or any portion of its Commitments or its Loans owing to it) to any other Person, and such other Person shall thereupon become vested with all the benefits in respect thereof granted such Lender herein or otherwise, in each case as provided in Section 12.07.

Section 11.05 Subrogation. No Guarantor will exercise any rights that it may now or hereafter acquire against any Loan Party or any other guarantor that arise from the existence, payment, performance or enforcement of such Guarantor's obligations under this Article XI, including, without limitation, any right of subrogation, reimbursement, exoneration, contribution or indemnification and any right to participate in any claim or remedy of the Secured Parties against any Loan Party or any other guarantor or any Collateral, whether or not such claim, remedy or right arises in equity or under contract, statute or common law, including, without limitation, the right to take or receive from any Loan Party or any other guarantor, directly or indirectly, in cash or other property or by set-off or in any other manner, payment or security solely on account of such claim, remedy or right, unless and until all of the Guaranteed

Obligations (other than Contingent Indemnity Obligations) and all other amounts payable under this Article XI shall have been paid in full in cash and the Final Maturity Date shall have occurred. If any amount shall be paid to any Guarantor in violation of the immediately preceding sentence at any time prior to the later of the payment in full in cash of the Guaranteed Obligations (other than Contingent Indemnity Obligations) and all other amounts payable under this Article XI and the Final Maturity Date, such amount shall be held in trust for the benefit of the Secured Parties and shall forthwith be paid to the Secured Parties to be credited and applied to the Guaranteed Obligations and all other amounts payable under this Article XI, whether matured or unmatured, in accordance with the terms of this Agreement, or to be held as Collateral for any Guaranteed Obligations or other amounts payable under this Article XI thereafter arising. If (i) any Guarantor shall make payment to the Secured Parties of all or any part of the Guaranteed Obligations, (ii) all of the Guaranteed Obligations and all other amounts payable under this Article XI shall be paid in full in cash and (iii) the Final Maturity Date shall have occurred, the Secured Parties will, at such Guarantor's request and expense, execute and deliver to such Guarantor appropriate documents, without recourse and without representation or warranty, necessary to evidence the transfer by subrogation to such Guarantor of an interest in the Guaranteed Obligations resulting from such payment by such Guarantor.

Section 11.06 Contribution. All Guarantors desire to allocate among themselves, in a fair and equitable manner, their obligations arising under this Guaranty. Accordingly, in the event any payment or distribution is made on any date by a Guarantor under this Guaranty such that its Aggregate Payments exceeds its Fair Share as of such date, such Guarantor shall be entitled to a contribution from each of the other Guarantors in an amount sufficient to cause each Guarantor's Aggregate Payments to equal its Fair Share as of such date. "Fair Share" means, with respect to any Guarantor as of any date of determination, an amount equal to (a) the ratio of (i) the Fair Share Contribution Amount with respect to such Guarantor, to (ii) the aggregate of the Fair Share Contribution Amounts with respect to all Guarantors multiplied by, (b) the aggregate amount paid or distributed on or before such date by all Guarantors under this Guaranty in respect of the obligations Guaranteed. "Fair Share Contribution Amount" means, with respect to any Guarantor as of any date of determination, the maximum aggregate amount of the obligations of such Guarantor under this Guaranty that would not render its obligations hereunder subject to avoidance as a fraudulent transfer or conveyance under Section 548 of Title 11 of the United States Code or any comparable applicable provisions of state law; provided, solely for purposes of calculating the "Fair Share Contribution Amount" with respect to any Guarantor for purposes of this Section 11.06, any assets or liabilities of such Guarantor arising by virtue of any rights to subrogation, reimbursement or indemnification or any rights to or obligations of contribution hereunder shall not be considered as assets or liabilities of such Guarantor. "Aggregate Payments" means, with respect to any Guarantor as of any date of determination, an amount equal to (A) the aggregate amount of all payments and distributions made on or before such date by such Guarantor in respect of this Guaranty (including, without limitation, in respect of this Section 11.06), minus (B) the aggregate amount of all payments received on or before such date by such Guarantor from the other Guarantors as contributions under this Section 11.06. The amounts payable as contributions hereunder shall be determined as of the date on which the related payment or distribution is made by the applicable Guarantor. The allocation among Guarantors of their obligations as set forth in this Section 11.06 shall not be construed in any way to limit the liability of any Guarantor hereunder. Each Guarantor is a third party beneficiary to the contribution agreement set forth in this Section 11.06.

ARTICLE XII

MISCELLANEOUS

Section 12.01 Notices, Etc.

(a) Notices Generally. All notices and other communications provided for hereunder shall be in writing and shall be delivered by hand, sent by registered or certified mail (postage prepaid,

return receipt requested), overnight courier, or telecopier. In the case of notices or other communications to any Loan Party, Administrative Agent or the Collateral Agent, as the case may be, they shall be sent to the respective address set forth below (or, as to each party, at such other address as shall be designated by such party in a written notice to the other parties complying as to delivery with the terms of this Section 12.01):

Ascend New Jersey, LLC
1411 Broadway, 16th Floor
New York, NY 10018
Attention: Chief Financial Officer
Email: dneville@awholdings.com

with a copy to:

Foley Hoag LLP
155 Seaport Boulevard
Boston, Massachusetts 02210-2600
Attention: Thomas B. Draper
Telephone: [REDACTED]
Telecopier: [REDACTED]
Email: [REDACTED]

if to the Administrative Agent, to it at the following address:

[REDACTED]
[REDACTED]
[REDACTED]
Attention: [REDACTED]
Telephone: [REDACTED]
Email: [REDACTED]

in each case, with a copy to:

Schulte Roth & Zabel LLP
919 Third Avenue
New York, New York 10022
Attention: Christopher O. Bell
Telephone: [REDACTED]
Telecopier: [REDACTED]
Email: [REDACTED]

if to the Collateral Agent, to it at the following address:

[REDACTED]
[REDACTED]
[REDACTED]
Attention: [REDACTED]
Telephone: [REDACTED]
Email: [REDACTED]

in each case, with a copy to:

Schulte Roth & Zabel LLP
919 Third Avenue
New York, New York 10022
Attention: Christopher O. Bell
Telephone: (212) 756-2000
Telecopier: (212) 593-5955
Email: chris.bell@srz.com

All notices or other communications sent in accordance with this Section 12.01, shall be deemed received on the earlier of the date of actual receipt or 3 Business Days after the deposit thereof in the mail; provided, that (i) notices sent by overnight courier service shall be deemed to have been given when received and (ii) notices by facsimile shall be deemed to have been given when sent (except that, if not given during normal business hours for the recipient, shall be deemed to have been given at the opening of business on the next Business Day for the recipient), provided, further that notices to any Agent pursuant to Article II shall not be effective until received by such Agent.

(b) Electronic Communications.

(i) Each Agent and the Borrower may, in its discretion, agree to accept notices and other communications to it hereunder by electronic communications pursuant to procedures approved by it; provided that approval of such procedures may be limited to particular notices or communications. Notices and other communications to the Lenders hereunder may be delivered or furnished by electronic communication (including e mail and Internet or intranet websites) pursuant to procedures approved by the Agents, provided that the foregoing shall not apply to notices to any Lender pursuant to Article II if such Lender has notified the Agents that it is incapable of receiving notices under such Article by electronic communication.

(ii) Unless the Administrative Agent otherwise prescribes, (A) notices and other communications sent to an e-mail address shall be deemed received upon the sender's receipt of an acknowledgement from the intended recipient (such as by the "return receipt requested" function, as available, return e-mail or other written acknowledgement), and (B) notices or communications posted to an Internet or intranet website shall be deemed received upon the deemed receipt by the intended recipient, at its e-mail address as described in the foregoing clause (A), of notification that such notice or communication is available and identifying the website address therefor; provided that, for both clauses (A) and (B) above, if such notice, email or other communication is not sent during the normal business hours of the recipient, such notice or communication shall be deemed to have been sent at the opening of business on the next business day for the recipient.

Section 12.02 Amendments, Etc. (a) No amendment or waiver of any provision of this Agreement or any other Loan Document, and no consent to any departure by any Loan Party therefrom, shall in any event be effective unless the same shall be in writing and signed (x) in the case of an amendment, consent or waiver to cure any ambiguity, omission, defect or inconsistency or granting a new Lien for the benefit of the Agents and the Lenders or extending an existing Lien over additional property, by the Agents and the Borrower, (y) in the case of any other waiver or consent, by the Required Lenders (or by the Collateral Agent with the consent of the Required Lenders) and (z) in the case of any other amendment, by the Required Lenders (or by the Collateral Agent with the consent of the Required Lenders) and the Borrower, and then such waiver or consent shall be effective only in the specific instance and for the specific purpose for which given; provided, however, that no amendment, waiver or consent shall:

(i) increase the Commitment of any Lender, reduce the principal of, or interest on, the Loans payable to any Lender, reduce the amount of any fee payable for the account of any Lender, or postpone or extend any scheduled date fixed for any payment of principal of, or interest or fees on, the Loans payable to any Lender, in each case, without the written consent of such Lender;

(ii) [reserved];

(iii) change the percentage of the Commitments or of the aggregate unpaid principal amount of the Loans that is required for the Lenders or any of them to take any action hereunder without the written consent of each Lender;

(iv) amend the definition of "Required Lenders" or "Pro Rata Share" without the written consent of each Lender;

(v) release all or a substantial portion of the Collateral (except as otherwise provided in this Agreement and the other Loan Documents), subordinate any Lien granted in favor of the Collateral Agent for the benefit of the Agents and the Lenders, or release the Borrower or any Guarantor (except in connection with a Disposition of the Equity Interests thereof permitted by Section 7.02(c)(ii)), in each case, without the written consent of each Lender; or

(vi) amend, modify or waive Section 4.02, Section 4.03 or this Section 12.02 of this Agreement without the written consent of each Lender.

(b) Notwithstanding anything to the contrary in Section 12.02(a):

(i) no amendment, waiver or consent shall, unless in writing and signed by an Agent, affect the rights or duties of such Agent (but not in its capacity as a Lender) under this Agreement or the other Loan Documents;

(ii) any amendment, waiver or consent to any provision of this Agreement (including Sections 4.01 and 4.02) that permits any Loan Party, any Permitted Holder (or other equity holder of the Parent) or any of their respective Affiliates to purchase Loans on a non-pro rata basis, become an eligible assignee pursuant to Section 12.07 and/or make offers to make optional prepayments on a non-pro rata basis shall require the prior written consent of the Required Lenders rather than the prior written consent of each Lender directly affected thereby;

(iii) any Control Agreement, Guaranty, Mortgage, Security Agreement, collateral access agreement, landlord waiver or other agreement or document purporting to create or perfect a security interest in any of the Collateral (a "Collateral Document") may be amended, waived or otherwise modified with the consent of the applicable Agent and the applicable Loan Party without the need to obtain the consent of any Lender or any other Person if such amendment, modification, supplement or waiver is delivered in order (A) to comply with local Requirements of Law (including foreign law or regulatory requirements) or advice of local counsel, (B) to cure any ambiguity, inconsistency, omission, mistake or defect or (C) to cause such Collateral Document to be consistent with this Agreement and the other Loan Documents, and if the Administrative Agent and the Borrower shall have jointly identified an ambiguity, inconsistency, omission, mistake or defect, in each case, in any provision of any Loan Document (other than a Collateral Document), then the Administrative Agent and the Borrower shall be permitted to amend such provision; any amendment, waiver or modification pursuant to this paragraph shall become effective without any further action or consent of any other party to any Loan Document if the same is not objected to in writing by the Required Lenders within five (5) Business Days following receipt of notice thereof;

(iv) no consent of any Loan Party shall be required to change any order of priority set forth in Section 4.03; and

(v) no Loan Party, Permitted Holder (or other equity holder of the Parent) or any of their respective Affiliates that is a Lender shall have any right to approve or disapprove any amendment, waiver or consent under the Loan Documents and any Loans held by such Person for purposes hereof shall be automatically deemed to be voted pro rata according to the Loans of all other Lenders in the aggregate (other than such Loan Party, Permitted Holder (or other equity holder of the Parent) or Affiliate);

(vi) (x) no Specified Lender shall have any right to approve or disapprove any amendment, waiver or consent under the Loan Documents and (y) for purposes of determining whether the Required Lenders, all Lenders or affected Lenders (or any other requisite number of Lenders) have consented to any amendment, waiver, consent or modification of any Loan Document or otherwise acted on any matter related to any Loan Document, the aggregate amount of Loans owed to the Specified Lenders shall be automatically deemed to be voted pro rata according to the Loans of all other Lenders in the aggregate (other than such Specified Lenders); provided that notwithstanding the foregoing, no amendment, waiver or consent under the Loan Documents shall by its terms treat any Specified Lender in a manner that has a disproportionate effect on such Specified Lender without the written consent of such Specified Lender.

Section 12.03 No Waiver; Remedies, Etc. No failure on the part of any Agent or any Lender to exercise, and no delay in exercising, any right hereunder or under any other Loan Document shall operate as a waiver thereof; nor shall any single or partial exercise of any right under any Loan Document preclude any other or further exercise thereof or the exercise of any other right. The rights and remedies of the Agents and the Lenders provided herein and in the other Loan Documents are cumulative and are in addition to, and not exclusive of, any rights or remedies provided by law. The rights of the Agents and the Lenders under any Loan Document against any party thereto are not conditional or contingent on any attempt by the Agents and the Lenders to exercise any of their rights under any other Loan Document against such party or against any other Person.

Section 12.04 Expenses; Taxes; Attorneys' Fees. The Borrower will pay on demand, all costs and expenses incurred by or on behalf of each Agent (and, in the case of clauses (b) through (m) below, each Lender), regardless of whether the transactions contemplated hereby are consummated, including, without limitation, reasonable fees, costs, client charges and expenses of counsel for each Agent (and, in the case of clauses (b) through (m) below, each Lender) (but limited in the case of such legal fees, costs, client charges and expenses to one primary legal counsel to the Agents (plus any reasonably necessary or advisable local counsel) and one additional counsel for the other Lenders in the aggregate (plus, in the case of any actual or bona fide perceived conflict of interest, additional counsel in each relevant jurisdiction to the similarly situated affected Agents or Lenders), accounting, due diligence, investigations, searches and filings, monitoring of assets, the rating of the Loans, Real Estate Deliverables and reviewing environmental assessments, miscellaneous disbursements, examination, travel, lodging and meals, arising from or relating to: (a) the negotiation, preparation, execution, delivery, performance and administration of this Agreement and the other Loan Documents (including, without limitation, the preparation of any additional Loan Documents pursuant to Section 7.01(b) or the review of any of the agreements, instruments and documents referred to in Section 7.01(f)), (b) any requested amendments, waivers or consents to this Agreement or the other Loan Documents whether or not such documents become effective or are given, (c) the preservation and protection of the Agents' or any of the Lenders' rights under this Agreement or the other Loan Documents, (d) the defense of any claim or action asserted or brought against any Agent or any Lender by any Person that arises from or relates to this Agreement, any other Loan Document, the Agents' or the Lenders' claims against any Loan Party, or any and all matters in connection therewith, (e) the commencement or defense of, or intervention in, any court proceeding arising from or related to this

Agreement or any other Loan Document, (f) the filing of any petition, complaint, answer, motion or other pleading by any Agent or any Lender, or the taking of any action in respect of the Collateral or other security, in connection with this Agreement or any other Loan Document, (g) the protection, collection, lease, sale, taking possession of or liquidation of, any Collateral or other security in connection with this Agreement or any other Loan Document, (h) any attempt to enforce any Lien or security interest in any Collateral or other security in connection with this Agreement or any other Loan Document, (i) any attempt to collect from any Loan Party, (j) any Environmental Claim, Environmental Liability or Remedial Action arising from or in connection with the past, present or future operations of, or any property currently, formerly or in the future owned, leased or operated by, any Loan Party, any of its Subsidiaries or any predecessor in interest, (k) any Environmental Lien, (l) the rating of the Loans by one or more rating agencies in connection with any Lender's Securitization, or (m) the receipt by any Agent or any Lender of any advice from professionals with respect to any of the foregoing. Without limitation of the foregoing or any other provision of any Loan Document: (x) the Borrower agrees to pay all broker fees that may become due in connection with the transactions contemplated by this Agreement and the other Loan Documents and (y) if the Borrower fails to perform any covenant or agreement contained herein or in any other Loan Document, any Agent may itself perform or cause performance of such covenant or agreement, and the expenses of such Agent incurred in connection therewith shall be reimbursed on demand by the Borrower. The obligations of the Borrower under this Section 12.04 shall survive the repayment of the Obligations and discharge of any Liens granted under the Loan Documents.

Section 12.05 Right of Set-off. Upon the occurrence and during the continuance of any Event of Default, any Agent or any Lender may, and is hereby authorized to, at any time and from time to time, without notice to any Loan Party (any such notice being expressly waived by the Loan Parties) and to the fullest extent permitted by law, set off and apply any and all deposits (general or special, time or demand, provisional or final) at any time held and other Indebtedness at any time owing by such Agent or such Lender or any of their respective Affiliates to or for the credit or the account of any Loan Party against any and all obligations of the Loan Parties either now or hereafter existing under any Loan Document, irrespective of whether or not such Agent or such Lender shall have made any demand hereunder or thereunder and although such obligations may be contingent or unmatured. Each Agent and each Lender agrees to notify such Loan Party promptly after any such set-off and application made by such Agent or such Lender or any of their respective Affiliates; provided that the failure to give such notice shall not affect the validity of such set-off and application. The rights of the Agents and the Lenders under this Section 12.05 are in addition to the other rights and remedies (including other rights of set-off) which the Agents and the Lenders may have under this Agreement or any other Loan Documents of law or otherwise.

Section 12.06 Severability. Any provision of this Agreement which is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining portions hereof or affecting the validity or enforceability of such provision in any other jurisdiction.

Section 12.07 Assignments and Participations.

(a) This Agreement and the other Loan Documents shall be binding upon and inure to the benefit of each Loan Party and each Agent and each Lender and their respective successors and assigns; provided, however, that none of the Loan Parties may assign or transfer any of its rights hereunder or under the other Loan Documents without the prior written consent of each Lender and any such assignment without the Lenders' prior written consent shall be null and void.

(b) Subject to the conditions set forth in clause (c) below, each Lender may assign to one or more other lenders or other entities (other than any Disqualified Entity, unless an Event of Default under subsection (f) or (g) of Section 9.01 has occurred and is continuing),all or a portion of its rights and

obligations under this Agreement with respect to all or a portion of its Term Loan Commitment and any Term Loan made by it with the written consent of the Collateral Agent; provided, however, that no written consent of the Collateral Agent shall be required (A) in connection with any assignment by a Lender to a Lender, an Affiliate of such Lender or a Related Fund of such Lender or (B) if such assignment is in connection with any merger, consolidation, sale, transfer, or other disposition of all or any substantial portion of the business or loan portfolio of such Lender.

(c) Assignments shall be subject to the following additional conditions:

(i) Each such assignment shall be in an amount which is at least $5,000,000 or a multiple of $1,000,000 in excess thereof (or the remainder of such Lender's Commitment) (except such minimum amount shall not apply to an assignment by a Lender to (A) a Lender, an Affiliate of such Lender or a Related Fund of such Lender or (B) a group of new Lenders, each of whom is an Affiliate or Related Fund of each other to the extent the aggregate amount to be assigned to all such new Lenders is at least $5,000,000 or a multiple of $1,000,000 in excess thereof);

(ii) The parties to each such assignment shall execute and deliver to the Collateral Agent (and the Administrative Agent, if applicable), for its acceptance, an Assignment and Acceptance, together with any promissory note subject to such assignment and such parties shall deliver to the Collateral Agent, for the benefit of the Collateral Agent, a processing and recordation fee of $[***] (except the payment of such fee shall not be required in connection with an assignment by a Lender to a Lender, an Affiliate of such Lender or a Related Fund of such Lender); and

(iii) No such assignment shall be made to any Loan Party, any Permitted Holder (or other equity holder of Holdings) or any of their respective Affiliates.

(d) Upon such execution, delivery and acceptance, from and after the effective date specified in each Assignment and Acceptance and recordation on the Register, which effective date shall be at least 3 Business Days after the delivery thereof to the Collateral Agent (or such shorter period as shall be agreed to by the Collateral Agent and the parties to such assignment), (A) the assignee thereunder shall become a "Lender" hereunder and, in addition to the rights and obligations hereunder held by it immediately prior to such effective date, have the rights and obligations hereunder that have been assigned to it pursuant to such Assignment and Acceptance and (B) the assigning Lender thereunder shall, to the extent that rights and obligations hereunder have been assigned by it pursuant to such Assignment and Acceptance, relinquish its rights and be released from its obligations under this Agreement (and, in the case of an Assignment and Acceptance covering all or the remaining portion of an assigning Lender's rights and obligations under this Agreement, such Lender shall cease to be a party hereto).

(e) By executing and delivering an Assignment and Acceptance, the assigning Lender and the assignee thereunder confirm to and agree with each other and the other parties hereto as follows: (i) other than as provided in such Assignment and Acceptance, the assigning Lender makes no representation or warranty and assumes no responsibility with respect to any statements, warranties or representations made in or in connection with this Agreement or any other Loan Document or the execution, legality, validity, enforceability, genuineness, sufficiency or value of this Agreement or any other Loan Document furnished pursuant hereto; (ii) the assigning Lender makes no representation or warranty and assumes no responsibility with respect to the financial condition of any Loan Party or any of its Subsidiaries or the performance or observance by any Loan Party of any of its obligations under this Agreement or any other Loan Document furnished pursuant hereto; (iii) such assignee confirms that it has received a copy of this Agreement and the other Loan Documents, together with such other documents and information it has deemed appropriate to make its own credit analysis and decision to enter into such Assignment and Acceptance; (iv) such assignee will, independently and without reliance upon the assigning Lender, any

Agent or any Lender and based on such documents and information as it shall deem appropriate at the time, continue to make its own credit decisions in taking or not taking action under this Agreement and the other Loan Documents; (v) such assignee appoints and authorizes the Agents to take such action as agents on its behalf and to exercise such powers under this Agreement and the other Loan Documents as are delegated to the Agents by the terms hereof and thereof, together with such powers as are reasonably incidental hereto and thereto; and (vi) such assignee agrees that it will perform in accordance with their terms all of the obligations which by the terms of this Agreement and the other Loan Documents are required to be performed by it as a Lender.

(f) The Administrative Agent shall, acting solely for this purpose as a non-fiduciary agent of the Borrower, maintain, or cause to be maintained at the Payment Office, a copy of each Assignment and Acceptance delivered to and accepted by it and a register (the "Register") for the recordation of the names and addresses of the Lenders and the Commitments of, and the principal amount of the Loans (and stated interest thereon) (the "Registered Loans") owing to each Lender from time to time. The entries in the Register shall be conclusive and binding for all purposes, absent manifest error, and the Borrower, the Agents and the Lenders shall treat each Person whose name is recorded in the Register as a Lender hereunder for all purposes of this Agreement. The Register shall be available for inspection by the Borrower and any Lender at any reasonable time and from time to time upon reasonable prior notice.

(g) Upon receipt by the Administrative Agent of a completed Assignment and Acceptance, and subject to any consent required from the Administrative Agent or the Collateral Agent pursuant to Section 12.07(b) (which consent of the applicable Agent must be evidenced by such Agent's execution of an acceptance to such Assignment and Acceptance), the Administrative Agent shall accept such assignment, record the information contained therein in the Register (as adjusted to reflect any principal payments on or amounts capitalized and added to the principal balance of the Loans and/or Commitment reductions made subsequent to the effective date of the applicable assignment, as confirmed in writing by the corresponding assignor and assignee in conjunction with delivery of the assignment to the Administrative Agent) and provide to the Collateral Agent a copy of the fully executed Assignment and Acceptance.

(h) A Registered Loan (and the registered note, if any, evidencing the same) may be assigned or sold in whole or in part only by registration of such assignment or sale on the Register (and each registered note shall expressly so provide). Any assignment or sale of all or part of such Registered Loan (and the registered note, if any, evidencing the same) may be effected only by registration of such assignment or sale on the Register, together with the surrender of the registered note, if any, evidencing the same duly endorsed by (or accompanied by a written instrument of assignment or sale duly executed by) the holder of such registered note, whereupon, at the request of the designated assignee(s) or transferee(s), one or more new registered notes in the same aggregate principal amount shall be issued to the designated assignee(s) or transferee(s).

(i) If any Lender sells participations in a Registered Loan, such Lender shall, acting for this purpose as a non-fiduciary agent on behalf of the Borrower, maintain, or cause to be maintained, a register, on which it enters the name of all participants in the Registered Loans held by it and the principal amount (and stated interest thereon) of the portion of the Registered Loan that is the subject of the participation (the "Participant Register"). A Registered Loan (and the registered note, if any, evidencing the same) may be participated in whole or in part only by registration of such participation on the Participant Register (and each registered note shall expressly so provide). Any participation of such Registered Loan (and the registered note, if any, evidencing the same) may be effected only by the registration of such participation on the Participant Register. The Participant Register shall be available for inspection by the Borrower and any Lender at any reasonable time and from time to time upon reasonable prior notice.

(j) Any Non-U.S. Lender who purchases or is assigned or participates in any portion of such Registered Loan shall comply with Section 2.09(d).

(k) Each Lender may sell participations to one or more banks or other entities in or to all or a portion of its rights and obligations under this Agreement and the other Loan Documents (including, without limitation, all or a portion of its Commitments and the Loans made by it; provided, that (i) such Lender's obligations under this Agreement (including without limitation, its Commitments hereunder) and the other Loan Documents shall remain unchanged; (ii) such Lender shall remain solely responsible to the other parties hereto for the performance of such obligations, and the Borrower, the Agents and the other Lenders shall continue to deal solely and directly with such Lender in connection with such Lender's rights and obligations under this Agreement and the other Loan Documents; and (iii) a participant shall not be entitled to require such Lender to take or omit to take any action hereunder except (A) action directly effecting an extension of the maturity dates or decrease in the principal amount of the Loans, (B) action directly effecting an extension of the due dates or a decrease in the rate of interest payable on the Loans or the fees payable under this Agreement, or (C) actions directly effecting a release of all or a substantial portion of the Collateral or any Loan Party (except as set forth in Section 10.08 of this Agreement or any other Loan Document). The Loan Parties agree that each participant shall be entitled to the benefits of Section 2.09 and Section 2.10 of this Agreement with respect to its participation in any portion of the Commitments and the Loans as if it was a Lender but not in an amount in excess of any amounts under such Sections that would have been payable to the Lender granting such participation.

(l) Any Lender may at any time pledge or assign a security interest in all or any portion of its rights under this Agreement to secure obligations of such Lender, including any pledge or assignment to secure obligations to a Federal Reserve Bank or loans made to, or other indebtedness issued by, such Lender pursuant to a securitization transaction (including any structured warehouse credit facility, collateralized loan obligation transaction or similar facility or transaction, and including any further securitization of the indebtedness or equity issued under such a transaction) (a "Securitization"); provided that no such pledge or assignment shall release such Lender from any of its obligations hereunder or substitute any such pledgee or assignee for such Lender as a party hereto. The Loan Parties shall cooperate with such Lender and its Affiliates to effect a Securitization, including, without limitation, by providing such information as may be reasonably requested by such Lender in connection with the rating of its Loans or any Securitization.

Section 12.08 Counterparts. This Agreement may be executed in any number of counterparts and by different parties hereto in separate counterparts, each of which shall be deemed to be an original, but all of which taken together shall constitute one and the same agreement. Delivery of an executed counterpart of this Agreement by telecopier or electronic mail shall be equally as effective as delivery of an original executed counterpart of this Agreement. Any party delivering an executed counterpart of this Agreement by telecopier or electronic mail also shall deliver an original executed counterpart of this Agreement but the failure to deliver an original executed counterpart shall not affect the validity, enforceability, and binding effect of this Agreement. The foregoing shall apply to each other Loan Document *mutatis mutandis*.

Section 12.09 GOVERNING LAW. THIS AGREEMENT AND THE OTHER LOAN DOCUMENTS (UNLESS EXPRESSLY PROVIDED TO THE CONTRARY IN ANOTHER LOAN DOCUMENT IN RESPECT OF SUCH OTHER LOAN DOCUMENT) SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAW OF THE STATE OF NEW YORK APPLICABLE TO CONTRACTS MADE AND TO BE PERFORMED IN THE STATE OF NEW YORK.

Section 12.10 CONSENT TO JURISDICTION; SERVICE OF PROCESS AND VENUE.

(a) ANY LEGAL ACTION OR PROCEEDING WITH RESPECT TO THIS AGREEMENT OR ANY OTHER LOAN DOCUMENT MAY BE BROUGHT IN THE COURTS OF THE STATE OF NEW YORK IN THE COUNTY OF NEW YORK OR OF THE UNITED STATES DISTRICT COURT FOR THE SOUTHERN DISTRICT OF NEW YORK, AND, BY EXECUTION AND DELIVERY OF THIS AGREEMENT, EACH LOAN PARTY HEREBY IRREVOCABLY ACCEPTS IN RESPECT OF ITS PROPERTY, GENERALLY AND UNCONDITIONALLY, THE JURISDICTION OF THE AFORESAID COURTS. EACH LOAN PARTY HEREBY IRREVOCABLY CONSENTS TO THE SERVICE OF PROCESS OUT OF ANY OF THE AFOREMENTIONED COURTS AND IN ANY SUCH ACTION OR PROCEEDING BY ANY MEANS PERMITTED BY APPLICABLE LAW, INCLUDING, WITHOUT LIMITATION, BY THE MAILING OF COPIES THEREOF BY REGISTERED OR CERTIFIED MAIL, POSTAGE PREPAID, TO THE BORROWER AT ITS ADDRESS FOR NOTICES AS SET FORTH IN SECTION 12.01, SUCH SERVICE TO BECOME EFFECTIVE 10 DAYS AFTER SUCH MAILING. THE LOAN PARTIES AGREE 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. NOTHING HEREIN SHALL AFFECT THE RIGHT OF THE AGENTS AND THE LENDERS TO SERVICE OF PROCESS IN ANY OTHER MANNER PERMITTED BY LAW OR TO COMMENCE LEGAL PROCEEDINGS OR OTHERWISE PROCEED AGAINST ANY LOAN PARTY IN ANY OTHER JURISDICTION. EACH LOAN PARTY HEREBY EXPRESSLY AND IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY LAW, ANY OBJECTION WHICH IT MAY NOW OR HEREAFTER HAVE TO THE JURISDICTION OR LAYING OF VENUE OF ANY SUCH LITIGATION BROUGHT IN ANY SUCH COURT REFERRED TO ABOVE AND ANY CLAIM THAT ANY SUCH LITIGATION HAS BEEN BROUGHT IN AN INCONVENIENT FORUM. TO THE EXTENT THAT ANY LOAN PARTY HAS OR HEREAFTER MAY ACQUIRE ANY IMMUNITY FROM JURISDICTION OF ANY COURT OR FROM ANY LEGAL PROCESS (WHETHER THROUGH SERVICE OR NOTICE, ATTACHMENT PRIOR TO JUDGMENT, ATTACHMENT IN AID OF EXECUTION OR OTHERWISE) WITH RESPECT TO ITSELF OR ITS PROPERTY, EACH LOAN PARTY HEREBY IRREVOCABLY WAIVES SUCH IMMUNITY IN RESPECT OF ITS OBLIGATIONS UNDER THIS AGREEMENT AND THE OTHER LOAN DOCUMENTS.

(b) Each Loan Party irrevocably and unconditionally agrees that it will not commence any action or proceeding of any kind or description, whether in law or equity, whether in contract or in tort or otherwise, against any Agent, any Lender or any Related Party of the foregoing in any way relating to this Agreement or any other Loan Document or the transactions relating hereto or thereto, in any forum other than the courts of the State of New York sitting in New York County, and of the United States District Court of the Southern District of New York, and any appellate court from any thereof.

Section 12.11 WAIVER OF JURY TRIAL, ETC. EACH LOAN PARTY, EACH AGENT AND EACH LENDER HEREBY WAIVES ANY RIGHT TO A TRIAL BY JURY IN ANY ACTION, PROCEEDING OR COUNTERCLAIM CONCERNING ANY RIGHTS UNDER THIS AGREEMENT OR THE OTHER LOAN DOCUMENTS, OR UNDER ANY AMENDMENT, WAIVER, CONSENT, INSTRUMENT, DOCUMENT OR OTHER AGREEMENT DELIVERED OR WHICH IN THE FUTURE MAY BE DELIVERED IN CONNECTION THEREWITH, OR ARISING FROM ANY FINANCING RELATIONSHIP EXISTING IN CONNECTION WITH THIS AGREEMENT, AND AGREES THAT ANY SUCH ACTION, PROCEEDINGS OR COUNTERCLAIM SHALL BE TRIED BEFORE A COURT AND NOT BEFORE A JURY. EACH LOAN PARTY CERTIFIES THAT NO OFFICER, REPRESENTATIVE, AGENT OR ATTORNEY OF ANY AGENT OR ANY LENDER HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT ANY AGENT OR ANY LENDER WOULD NOT, IN THE EVENT OF ANY ACTION, PROCEEDING OR COUNTERCLAIM, SEEK TO ENFORCE THE FOREGOING WAIVERS. EACH LOAN PARTY HEREBY ACKNOWLEDGES

THAT THIS PROVISION IS A MATERIAL INDUCEMENT FOR THE AGENTS AND THE LENDERS ENTERING INTO THIS AGREEMENT.

Section 12.12 Consent by the Agents and Lenders. Except as otherwise expressly set forth herein to the contrary or in any other Loan Document, if the consent, approval, satisfaction, determination, judgment, acceptance or similar action (an "Action") of any Agent or any Lender shall be permitted or required pursuant to any provision hereof or any provision of any other agreement to which any Loan Party is a party and to which any Agent or any Lender has succeeded thereto, such Action shall be required to be in writing and may be withheld or denied by such Agent or such Lender, in its sole discretion, with or without any reason, and without being subject to question or challenge on the grounds that such Action was not taken in good faith.

Section 12.13 No Party Deemed Drafter. Each of the parties hereto agrees that no party hereto shall be deemed to be the drafter of this Agreement.

Section 12.14 Reinstatement; Certain Payments. If any claim is ever made upon any Secured Party for repayment or recovery of any amount or amounts received by such Secured Party in payment or on account of any of the Obligations, such Secured Party shall give prompt notice of such claim to each other Agent and Lender and the Borrower, and if such Secured Party repays all or part of such amount by reason of (i) any judgment, decree or order of any court or administrative body having jurisdiction over such Secured Party or any of its property, or (ii) any good faith settlement or compromise of any such claim effected by such Secured Party with any such claimant, then and in such event each Loan Party agrees that (A) any such judgment, decree, order, settlement or compromise shall be binding upon it notwithstanding the cancellation of any Indebtedness hereunder or under the other Loan Documents or the termination of this Agreement or the other Loan Documents, and (B) it shall be and remain liable to such Secured Party hereunder for the amount so repaid or recovered to the same extent as if such amount had never originally been received by such Secured Party.

Section 12.15 Indemnification; Limitation of Liability for Certain Damages.

(a) In addition to each Loan Party's other Obligations under this Agreement, each Loan Party agrees to, jointly and severally, defend, protect, indemnify and hold harmless each Secured Party and all of their respective Related Parties (collectively called the "Indemnitees") from and against any and all losses, damages, liabilities, obligations, penalties, fees, reasonable costs and expenses (including, without limitation, reasonable attorneys' fees, costs and expenses) incurred by such Indemnitees, whether prior to or from and after the Effective Date, whether direct, indirect or consequential, as a result of or arising from or relating to or in connection with any of the following: (i) the negotiation, preparation, execution or performance or enforcement of this Agreement, any other Loan Document or of any other document executed in connection with the transactions contemplated by this Agreement, (ii) any Agent's or any Lender's furnishing of funds to the Borrower under this Agreement or the other Loan Documents, including, without limitation, the management of any such Loans or the Borrower's use of the proceeds thereof, (iii) the Agents and the Lenders relying on any instructions of the Borrower or the handling of the Loan Account and Collateral of the Borrower as herein provided, (iv) any matter relating to the financing transactions contemplated by this Agreement or the other Loan Documents or by any document executed in connection with the transactions contemplated by this Agreement or the other Loan Documents, (v) any direct or indirect violation of any Requirements of Law relating in any way to Cannabis Activities or Marijuana, including but not limited to any civil or financial liability for claims such as conspiracy, aiding and abetting, violation of the Racketeer Influenced and Corrupt Organizations Act or the Money Laundering Control Act of 1986 in respect thereof or (vi) any claim, litigation, investigation or proceeding relating to any of the foregoing, whether or not any Indemnitee is a party thereto (collectively, the "Indemnified Matters"); provided, however, that the Loan Parties shall not have any obligation to any Indemnitee under this

subsection (a) for any Indemnified Matter caused by (i) the gross negligence or willful misconduct of such Indemnitee, as determined by a final non-appealable judgment of a court of competent jurisdiction or (ii) material breach by any Lender or Agent of its obligations hereunder with respect to funding the Term Loan or confidentiality undertakings set forth in Section 12.19, as determined by a final non-appealable judgment of a court of competent jurisdiction.

(b) The indemnification for all of the foregoing losses, damages, fees, costs and expenses of the Indemnitees set forth in this Section 12.15 are chargeable against the Loan Account. To the extent that the undertaking to indemnify, pay and hold harmless set forth in this Section 12.15 may be unenforceable because it is violative of any law or public policy, each Loan Party shall, jointly and severally, contribute the maximum portion which it is permitted to pay and satisfy under applicable law, to the payment and satisfaction of all Indemnified Matters incurred by the Indemnitees.

(c) No Loan Party shall assert, and each Loan Party hereby waives, any claim against the Indemnitees, on any theory of liability, for special, indirect, consequential or punitive damages (as opposed to direct or actual damages) (whether or not the claim therefor is based on contract, tort or duty imposed by any applicable legal requirement) arising out of, in connection with, as a result of, or in any way related to, this Agreement or any other Loan Document or any agreement or instrument contemplated hereby or thereby or referred to herein or therein, the transactions contemplated hereby or thereby, any Loan or the use of the proceeds thereof or any act or omission or event occurring in connection therewith, and each Loan Party hereby waives, releases and agrees not to sue upon any such claim or seek any such damages, whether or not accrued and whether or not known or suspected to exist in its favor.

(d) The indemnities and waivers set forth in this Section 12.15 shall survive the repayment of the Obligations and discharge of any Liens granted under the Loan Documents.

Section 12.16 Records. The unpaid principal of and interest on the Loans, the interest rate or rates applicable to such unpaid principal and interest, the duration of such applicability, the Commitments, and the accrued and unpaid fees payable pursuant to Section 2.06 hereof, shall at all times be ascertained from the records of the Agents, which shall be conclusive and binding absent manifest error.

Section 12.17 Binding Effect. This Agreement shall become effective when it shall have been executed by each Loan Party, each Agent and each Lender and when the conditions precedent set forth in Section 5.01 hereof have been satisfied or waived in writing by the Agents, and thereafter shall be binding upon and inure to the benefit of each Loan Party, each Agent and each Lender, and their respective successors and assigns, except that the Loan Parties shall not have the right to assign their rights hereunder or any interest herein without the prior written consent of each Agent and each Lender, and any assignment by any Lender shall be governed by Section 12.07 hereof.

Section 12.18 Highest Lawful Rate. It is the intention of the parties hereto that each Agent and each Lender shall conform strictly to usury laws applicable to it. Accordingly, if the transactions contemplated hereby or by any other Loan Document would be usurious as to any Agent or any Lender under laws applicable to it (including the laws of the United States of America and the State of New York or any other jurisdiction whose laws may be mandatorily applicable to such Agent or such Lender notwithstanding the other provisions of this Agreement), then, in that event, notwithstanding anything to the contrary in this Agreement or any other Loan Document or any agreement entered into in connection with or as security for the Obligations, it is agreed as follows: (i) the aggregate of all consideration which constitutes interest under law applicable to any Agent or any Lender that is contracted for, taken, reserved, charged or received by such Agent or such Lender under this Agreement or any other Loan Document or agreements or otherwise in connection with the Obligations shall under no circumstances exceed the maximum amount allowed by such applicable law, any excess shall be canceled automatically and if

theretofore paid shall be credited by such Agent or such Lender on the principal amount of the Obligations (or, to the extent that the principal amount of the Obligations shall have been or would thereby be paid in full, refunded by such Agent or such Lender, as applicable, to the Borrower); and (ii) in the event that the maturity of the Obligations is accelerated by reason of any Event of Default under this Agreement or otherwise, or in the event of any required or permitted prepayment, then such consideration that constitutes interest under law applicable to any Agent or any Lender may never include more than the maximum amount allowed by such applicable law, and excess interest, if any, provided for in this Agreement or otherwise shall, subject to the last sentence of this Section 12.18, be canceled automatically by such Agent or such Lender, as applicable, as of the date of such acceleration or prepayment and, if theretofore paid, shall be credited by such Agent or such Lender, as applicable, on the principal amount of the Obligations (or, to the extent that the principal amount of the Obligations shall have been or would thereby be paid in full, refunded by such Agent or such Lender to the Borrower). All sums paid or agreed to be paid to any Agent or any Lender for the use, forbearance or detention of sums due hereunder shall, to the extent permitted by law applicable to such Agent or such Lender, be amortized, prorated, allocated and spread throughout the full term of the Loans until payment in full so that the rate or amount of interest on account of any Loans hereunder does not exceed the maximum amount allowed by such applicable law. If at any time and from time to time (x) the amount of interest payable to any Agent or any Lender on any date shall be computed at the Highest Lawful Rate applicable to such Agent or such Lender pursuant to this Section 12.18 and (y) in respect of any subsequent interest computation period the amount of interest otherwise payable to such Agent or such Lender would be less than the amount of interest payable to such Agent or such Lender computed at the Highest Lawful Rate applicable to such Agent or such Lender, then the amount of interest payable to such Agent or such Lender in respect of such subsequent interest computation period shall continue to be computed at the Highest Lawful Rate applicable to such Agent or such Lender until the total amount of interest payable to such Agent or such Lender shall equal the total amount of interest which would have been payable to such Agent or such Lender if the total amount of interest had been computed without giving effect to this Section 12.18.

For purposes of this Section 12.18, the term "applicable law" shall mean that law in effect from time to time and applicable to the loan transaction between the Borrower, on the one hand, and the Agents and the Lenders, on the other, that lawfully permits the charging and collection of the highest permissible, lawful non-usurious rate of interest on such loan transaction and this Agreement, including laws of the State of New York and, to the extent controlling, laws of the United States of America.

The right to accelerate the maturity of the Obligations does not include the right to accelerate any interest that has not accrued as of the date of acceleration.

Section 12.19 Confidentiality. Each Agent and each Lender agrees (on behalf of itself and its Related Parties) to use reasonable precautions to keep confidential, in accordance with its customary procedures for handling confidential information of this nature and in accordance with safe and sound practices of comparable commercial finance companies, any non-public information supplied to it by the Loan Parties pursuant to this Agreement or the other Loan Documents (which at the time is not, and does not thereafter become, publicly available or available to such Person from another source not known to be subject to a confidentiality obligation to such Person not to disclose such information), provided that nothing herein shall limit the disclosure by any Agent or any Lender of any such information (i) to its Affiliates, its Related Parties or the Related Parties of any Person described in clauses (ii) or (iii) below (it being understood that the Persons to whom such disclosure is made either will be informed of the confidential nature of such information and instructed to keep such information confidential in accordance with this Section 12.19 or is subject to other customary confidentiality obligations); (ii) to any other party hereto; (iii) to any assignee or participant (or prospective assignee or participant) or any party to a Securitization, so long as such assignee or participant (or prospective assignee or participant) or party to a Securitization agrees, in writing, to be bound by or is otherwise subject to customary confidentiality

obligations (including, without limitation, confidentiality provisions similar in substance to this Section 12.19); (iv) to the extent required by any Requirement of Law or judicial process or as otherwise requested by any Governmental Authority; (v) to the National Association of Insurance Commissioners or any similar organization, any examiner, auditor or accountant or any nationally recognized rating agency; (vi) in connection with any litigation to which any Agent or any Lender is a party; (vii) in connection with the exercise of any remedies hereunder or under any other Loan Document or any action or proceeding relating to this Agreement or any other Loan Document or the enforcement of rights hereunder or thereunder; (viii) to any other Person if such information is general portfolio information that does not identity the Loan Parties, or (ix) with the consent of the Borrower. In addition, the Agents and the Lenders may disclose the existence of this Agreement and information about this Agreement to market data collectors, similar service providers to the lending industry and service providers to any Agent or any Lender in connection with the administration of this Agreement, the other Loan Documents and the Commitments.

Section 12.20 Public Disclosure. Each Loan Party agrees that neither it nor any of its Affiliates will now or in the future issue any press release or other public disclosure using the name of an Agent, any Lender or any of their respective Affiliates or referring to this Agreement or any other Loan Document without the prior written consent of such Agent or such Lender, except to the extent that such Loan Party or such Affiliate is required to do so under applicable law (in which event, such Loan Party or such Affiliate will consult with such Agent or such Lender before issuing such press release or other public disclosure). Each Loan Party hereby authorizes each Agent and each Lender, after consultation with the Borrower, to advertise the closing of the transactions contemplated by this Agreement, and to make appropriate announcements of the financial arrangements entered into among the parties hereto, as such Agent or such Lender shall deem appropriate, including, without limitation, on a home page or similar place for dissemination of information on the Internet or worldwide web, or in announcements commonly known as tombstones, in such trade publications, business journals, newspapers of general circulation and to such selected parties as such Agent or such Lender shall deem appropriate.

Section 12.21 Integration. This Agreement, together with the other Loan Documents, reflects the entire understanding of the parties with respect to the transactions contemplated hereby and shall not be contradicted or qualified by any other agreement, oral or written, before the date hereof.

Section 12.22 USA PATRIOT Act. Each Lender that is subject to the requirements of the USA PATRIOT Act hereby notifies the Borrower that pursuant to the requirements of the USA PATRIOT Act, it is required to obtain, verify and record information that identifies the entity composing the Borrower, which information includes the name and address of such entity and other information that will allow such Lender to identify the entity composing the Borrower in accordance with the USA PATRIOT Act. Each Loan Party agrees to take such action and execute, acknowledge and deliver at its sole cost and expense, such instruments and documents as any Lender may reasonably require from time to time in order to enable such Lender to comply with the USA PATRIOT Act.

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IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their respective officers thereunto duly authorized, as of the date first above written.

BORROWER:

ASCEND NEW JERSEY, LLC

By: _____
Name:
Title:

GUARANTOR:

AWH NJ HOLDCO LLC

By: _____
Name:
Title:

COLLATERAL AGENT:

[REDACTED]

By: _____
Name:
Title:

ADMINISTRATIVE AGENT:

[REDACTED]

By: _____
Name:
Title:

EXHIBIT A

FORM OF JOINDER AGREEMENT

THIS JOINDER AGREEMENT, dated as of _____ __, 20__ (this "Agreement"), to the Financing Agreement referred to below is entered into by and among Ascend New Jersey, LLC, a New Jersey limited liability company (the "Borrower"), AWH NJ Holdco LLC, a New Jersey limited liability company (the "Parent"), each subsidiary of the Parent listed as a "Guarantor" on the signature pages thereto (together with the Parent and each other Person that executes a joinder agreement and becomes a "Guarantor" thereunder or otherwise guaranties all or any part of the Obligations (as defined therein), each a "Guarantor" and collectively, the "Guarantors"), [NAME OF ADDITIONAL GUARANTOR], a _____ _____ (the "Additional Guarantor"), [REDACTED], as collateral agent for the Lenders (in such capacity, together with its successors and assigns in such capacity, the "Collateral Agent"), and [REDACTED], as administrative agent for the Lenders (in such capacity, together with its successors and assigns in such capacity, the "Administrative Agent" and together with the Collateral Agent, each an "Agent" and collectively, the "Agents").

WHEREAS, the Parent, the Borrower, the Guarantors (other than the Additional Guarantor), the Lenders and the Agents have entered into that certain Financing Agreement, dated as of October 29, 2020 (such agreement, as amended, restated, supplemented or otherwise modified from time to time, including any replacement agreement therefor, the "Financing Agreement"), pursuant to which the Lenders have agreed to make certain term loans (each a "Loan" and collectively the "Loans"), to the Borrower;

WHEREAS, the Borrower's obligation to repay the Loans and all other Obligations are guaranteed, jointly and severally, by the Guarantors;

WHEREAS, pursuant to Section 7.01(b) of the Financing Agreement, the Additional Guarantor is required to become a Guarantor by, among other things, executing and delivering this Agreement to the Collateral Agent; and

WHEREAS, the Additional Guarantor has determined that the execution, delivery and performance of this Agreement directly benefit, and are within the corporate purposes and in the best interests of, the Additional Guarantor.

NOW THEREFORE, in consideration of the premises and other good and valuable consideration, the receipt of which is hereby acknowledged, the parties hereto hereby agree as follows:

SECTION 1. Definitions. Reference is hereby made to the Financing Agreement for a statement of the terms thereof. All terms used in this Agreement which are defined therein and not otherwise defined herein shall have the same meanings herein as set forth therein.

SECTION 2. Joinder of Additional Guarantor.

(a) Pursuant to Section 7.01(b) of the Financing Agreement, by its execution of this Agreement, the Additional Guarantor hereby (i) confirms that, as to the Additional Guarantor, the representations and warranties contained in Article VI of the Financing Agreement are true and correct in all material respects (except that such materiality qualifier shall not be applicable to any representations or

warranties that already are qualified or modified as to materiality or "Material Adverse Effect" in the text thereof, which representations and warranties shall be true and correct in all respects subject to such qualification) on and as of such date as though made on and as of such date, except to the extent that any such representation or warranty expressly relates solely to an earlier date (in which case such representation or warranty shall be true and correct in all material respects on and as of such earlier date) (except that such materiality qualifier shall not be applicable to any representations or warranties that already are qualified or modified as to materiality or "Material Adverse Effect" in the text thereof, which representations and warranties shall be true and correct in all respects subject to such qualification) , and (ii) agrees that, from and after the effective date of this Agreement, the Additional Guarantor shall be a party to the Financing Agreement and shall be bound, as a Guarantor, by all the provisions thereof and shall comply with and be subject to all of the terms, conditions, covenants, agreements and obligations set forth therein and applicable to the Guarantors, including, without limitation, the guaranty of the Obligations made by the Guarantors, jointly and severally with the other Loan Parties, in favor of the Agents and the Lenders pursuant to Article XI of the Financing Agreement. The Additional Guarantor hereby agrees that from and after the effective date of this Agreement, each reference to a "Guarantor" or a "Loan Party" and each reference to the "Guarantors" or the "Loan Parties" in the Financing Agreement shall include the Additional Guarantor. The Additional Guarantor acknowledges that it has received a copy of the Financing Agreement and each other Loan Document and that it has read and understands the terms thereof.

(b) Attached hereto are supplements to each Schedule to the Financing Agreement revised to include all information required to be provided therein with respect to, and only with respect to, the Additional Guarantor. The Schedules to the Financing Agreement shall, without further action, be amended to include the information contained in each such supplement.

SECTION 3. Effectiveness. This Agreement shall become effective upon its execution by the Additional Guarantor, the Borrower, each Guarantor and each Agent and receipt by the Agents of the following, in each case in form and substance reasonably satisfactory to the Agents:

(a) original counterparts to this Agreement, duly executed by the Borrower, each Guarantor, the Additional Guarantor and the Agents, together with the Schedules referred to in Section 2(b) hereof;

(b) a Supplement to the Security Agreement, substantially in the form of Exhibit C to the Security Agreement (the "Security Agreement Supplement"), duly executed by the Additional Guarantor, and any instruments of assignment or other documents required to be delivered to the Agents pursuant to the terms thereof;

(c) a Pledge Amendment to the Security Agreement to which the parent company of the Additional Guarantor is a party, in substantially the form of Exhibit A thereto, duly executed by such parent company and providing for all Equity Interest of the Additional Guarantor to be pledged to the Collateral Agent pursuant to the terms thereof;

(d) (i) certificates, if any, representing 100% of the issued and outstanding Equity Interests of the Additional Guarantor and each Subsidiary of the Additional Guarantor and (ii) all original promissory notes of such Additional Guarantor, if any, in each case, that are required to be delivered under the Loan Documents, in each case, accompanied by instruments of assignment and transfer in such form as the Collateral Agent may reasonably request;

(e) to the extent required under the Financing Agreement, a Mortgage (the "Additional Mortgage"), duly executed by the Additional Guarantor, with respect to the real property owned or leased, as applicable, by the Additional Guarantor, together with all other applicable Real Property Deliverables, agreements, instruments and documents as the Collateral Agent may reasonably require, whether comparable to the documents required under Section 7.01(m) of the Financing Agreement or otherwise;

(f) (i) appropriate financing statements on Form UCC-1 duly filed in such office or offices as may be necessary or in the opinion of the Collateral Agent, desirable to perfect the security interests purported to be created by the Security Agreement Supplement and any Mortgage and (ii) evidence reasonably satisfactory to the Collateral Agent of the filing of such UCC-1 financing statements;

(g) If requested by the Agents, a favorable written opinion of counsel to the Loan Parties as to such matters as the Agents may reasonably request; and

(h) such other agreements, instruments or other documents reasonably requested by the Collateral Agent in order to create, perfect, establish the first priority (subject to Permitted Liens) of or otherwise protect any Lien purported to be covered by the Security Agreement Supplement or any Additional Mortgage or otherwise to effect the intent that the Additional Guarantor shall become bound by all of the terms, covenants and agreements contained in the Loan Documents and that all property and assets of such Subsidiary shall become Collateral for the Obligations free and clear of all Liens other than Permitted Liens.

SECTION 4. Notices, Etc. All notices and other communications provided for hereunder shall be in writing and shall be mailed (by certified mail, postage prepaid and return receipt requested), telecopied or delivered by hand, Federal Express or other reputable overnight courier, if to the Additional Guarantor, to it at its address set forth below its signature to this Agreement, and if to any Borrower, any Guarantor, any Lender or any Agent, to it at its address specified in the Financing Agreement or Joinder Agreement (as applicable); or as to any such Person at such other address as shall be designated by such Person in a written notice to such other Person, complying as to delivery with the terms of this Section 4. All such notices and other communications shall be effective in accordance with Section 12.01 of the Financing Agreement.

SECTION 5. General Provisions. (a) Each of the Borrower, each Guarantor and the Additional Guarantor hereby confirms that each representation and warranty made by it under the Loan Documents is true and correct in all material respects (except that such materiality qualifier shall not be applicable to any representations or warranties that already are qualified or modified as to materiality or "Material Adverse Effect" in the text thereof, which representations and warranties shall be true and correct in all respects subject to such qualification) on and as of such date as though made on and as of such date, except to the extent that any such representation or warranty expressly relates solely to an earlier date (in which case such representation or warranty shall be true and correct in all material respects on and as of such earlier date) (except that such materiality qualifier shall not be applicable to any representations or warranties that already are qualified or modified as to materiality or "Material Adverse Effect" in the text thereof, which representations and warranties shall be true and correct in all respects subject to such qualification), and that no Default or Event of Default has occurred or is continuing under the Financing Agreement. Each of the Borrower, each Guarantor and the Additional Guarantor hereby represents and

warrants that as of the date hereof there are no claims or offsets against or defenses or counterclaims to their respective obligations under the Financing Agreement or any other Loan Document.

(b) Except as supplemented hereby, the Financing Agreement and each other Loan Document shall continue to be, and shall remain, in full force and effect. This Agreement shall not be deemed (i) to be a waiver of, or consent to, or a modification or amendment of, any other term or condition of the Financing Agreement or any other Loan Document or (ii) to prejudice any right or rights which the Agents or the Lenders may now have or may have in the future under or in connection with the Financing Agreement or the other Loan Documents or any of the instruments or agreements referred to therein, as the same may be amended, restated, supplemented or otherwise modified from time to time, including any replacement instrument or agreement therefor.

(c) The Additional Guarantor hereby expressly (i) authorizes the Collateral Agent to file appropriate financing statements or continuation statements, and amendments thereto, (including without limitation, any such financing statements that indicate the Collateral as "all assets" or words of similar import) in such office or offices as may be necessary or in the opinion of the Collateral Agent, desirable to perfect the Liens to be created by the Security Agreement Supplement and each of the other Loan Documents and (ii) ratifies such authorization to the extent that the Collateral Agent has filed any such financing or continuation statements or amendments thereto prior to the date hereof. A photocopy or other reproduction of the Security Agreement Supplement or any financing statement covering the Collateral or any part thereof shall be sufficient as a financing statement where permitted by law. The Borrower agrees to pay on demand all costs and expenses incurred by or on behalf of each Agent in connection with the negotiation, preparation, execution, delivery and performance of this Agreement, including, without limitation, the reasonable fees, costs, client charges and expenses of counsel for each Agent.

(d) This Agreement may be executed in any number of counterparts and by different parties hereto in separate counterparts, each of which shall be deemed to be an original, but all of which taken together shall constitute one and the same agreement. Delivery of an executed counterpart of this Agreement by telecopier or electronic transmission shall be equally as effective as delivery of an original executed counterpart of this Agreement. Any party delivering an executed counterpart of this Agreement by telecopier or electronic transmission also shall deliver an original executed counterpart of this Agreement but the failure to deliver an original executed counterpart shall not affect the validity, enforceability and binding effect of this Agreement.

(e) Section headings in this Agreement are included herein for the convenience of reference only and shall not constitute a part of this Agreement for any other purpose.

(f) ANY LEGAL ACTION OR PROCEEDING WITH RESPECT TO THIS AGREEMENT MAY BE BROUGHT IN THE COURTS OF THE STATE OF NEW YORK IN THE COUNTY OF NEW YORK OR OF THE UNITED STATES DISTRICT COURT FOR THE SOUTHERN DISTRICT OF NEW YORK, AND, BY EXECUTION AND DELIVERY OF THIS AGREEMENT, THE ADDITIONAL GUARANTOR AND EACH OTHER LOAN PARTY HEREBY IRREVOCABLY ACCEPTS IN RESPECT OF ITS PROPERTY, GENERALLY AND UNCONDITIONALLY, THE JURISDICTION OF THE AFORESAID COURTS. THE ADDITIONAL GUARANTOR AND EACH OTHER LOAN PARTY HEREBY IRREVOCABLY CONSENTS TO THE SERVICE OF PROCESS OUT OF ANY OF THE AFOREMENTIONED COURTS AND IN ANY SUCH ACTION OR PROCEEDING

BY ANY MEANS PERMITTED BY APPLICABLE LAW, INCLUDING, WITHOUT LIMITATION, BY THE MAILING OF COPIES THEREOF BY REGISTERED OR CERTIFIED MAIL, POSTAGE PREPAID, TO THE BORROWER AT ITS ADDRESS FOR NOTICES AS SET FORTH IN SECTION 12.01 OF THE FINANCING AGREEMENT, SUCH SERVICE TO BECOME EFFECTIVE 10 DAYS AFTER SUCH MAILING. THE ADDITIONAL GUARANTOR AND EACH OTHER LOAN PARTY AGREE 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. NOTHING HEREIN SHALL AFFECT THE RIGHT OF THE AGENTS AND THE LENDERS TO SERVICE OF PROCESS IN ANY OTHER MANNER PERMITTED BY LAW OR TO COMMENCE LEGAL PROCEEDINGS OR OTHERWISE PROCEED AGAINST THE ADDITIONAL GUARANTOR OR ANY OTHER LOAN PARTY IN ANY OTHER JURISDICTION. THE ADDITIONAL GUARANTOR AND EACH OTHER LOAN PARTY HEREBY EXPRESSLY AND IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY LAW, ANY OBJECTION WHICH IT MAY NOW OR HEREAFTER HAVE TO THE JURISDICTION OR LAYING OF VENUE OF ANY SUCH LITIGATION BROUGHT IN ANY SUCH COURT REFERRED TO ABOVE AND ANY CLAIM THAT ANY SUCH LITIGATION HAS BEEN BROUGHT IN AN INCONVENIENT FORUM. TO THE EXTENT THAT ANY LOAN PARTY HAS OR HEREAFTER MAY ACQUIRE ANY IMMUNITY FROM JURISDICTION OF ANY COURT OR FROM ANY LEGAL PROCESS (WHETHER THROUGH SERVICE OR NOTICE, ATTACHMENT PRIOR TO JUDGMENT, ATTACHMENT IN AID OF EXECUTION OR OTHERWISE) WITH RESPECT TO ITSELF OR ITS PROPERTY, EACH LOAN PARTY HEREBY IRREVOCABLY WAIVES SUCH IMMUNITY IN RESPECT OF ITS OBLIGATIONS UNDER THIS AGREEMENT AND THE OTHER LOAN DOCUMENTS.

(g) THIS AGREEMENT SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAW OF THE STATE OF NEW YORK APPLICABLE TO CONTRACTS MADE AND TO BE PERFORMED IN THE STATE OF NEW YORK.

(h) THE ADDITIONAL GUARANTOR, EACH OTHER LOAN PARTY, EACH AGENT AND EACH LENDER HEREBY WAIVES ANY RIGHT TO A TRIAL BY JURY IN ANY ACTION, PROCEEDING OR COUNTERCLAIM CONCERNING ANY RIGHTS UNDER THIS AGREEMENT, OR UNDER ANY AMENDMENT, WAIVER, CONSENT, INSTRUMENT, DOCUMENT OR OTHER AGREEMENT DELIVERED OR WHICH IN THE FUTURE MAY BE DELIVERED IN CONNECTION THEREWITH, OR ARISING FROM ANY FINANCING RELATIONSHIP EXISTING IN CONNECTION WITH THIS AGREEMENT, AND AGREES THAT ANY SUCH ACTION, PROCEEDINGS OR COUNTERCLAIM SHALL BE TRIED BEFORE A COURT AND NOT BEFORE A JURY. THE ADDITIONAL GUARANTOR AND EACH OTHER LOAN PARTY CERTIFIES THAT NO OFFICER, REPRESENTATIVE, AGENT OR ATTORNEY OF ANY AGENT OR ANY LENDER HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT ANY AGENT OR ANY LENDER WOULD NOT, IN THE EVENT OF ANY ACTION, PROCEEDING OR COUNTERCLAIM, SEEK TO ENFORCE THE FOREGOING WAIVERS. THE ADDITIONAL GUARANTOR AND EACH OTHER LOAN PARTY HEREBY ACKNOWLEDGES THAT THIS PROVISION IS A MATERIAL INDUCEMENT FOR THE AGENTS AND THE LENDERS ENTERING INTO THIS AGREEMENT.

(i) This Agreement, together with the Financing Agreement and the other Loan Documents, reflects the entire understanding of the parties with respect to the transactions contemplated

hereby and thereby and shall not be contradicted or qualified by any other agreement, oral or written, before the date hereof.

[*Remainder of Page Intentionally Left Blank*]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their respective officers thereunto duly authorized, as of the date first above written.

BORROWER:

ASCEND NEW JERSEY, LLC

By: _____
Name: _____
Title: _____

GUARANTORS:

AWH NJ HOLDCO LLC

By: _____
Name: _____
Title: _____

ADMINISTRATIVE AGENT:

[REDACTED]

By: _____
Name: _____
Title: _____

COLLATERAL AGENT:

[REDACTED]

By: _____
Name: _____
Title: _____

ADDITIONAL GUARANTOR:

[_____]

By: _____

Name: _____

Title: _____

EXHIBIT B

FORM OF ASSIGNMENT AND ACCEPTANCE AGREEMENT

This ASSIGNMENT AND ACCEPTANCE AGREEMENT ("Assignment Agreement") is entered into as of _____ __, 20__ between _____ ("Assignor") and _____ ("Assignee"). Reference is made to the agreement described in Item 2 of Annex I annexed hereto (as amended, restated, modified or otherwise supplemented from time to time, the "Financing Agreement"). Capitalized terms used herein and not otherwise defined shall have the meanings ascribed to them in the Financing Agreement.

1. In accordance with the terms and conditions of Section 12.07 of the Financing Agreement, the Assignor hereby sells and assigns to the Assignee, and the Assignee hereby purchases and assumes from the Assignor, that interest in and to the Assignor's rights and obligations under the Loan Documents as of the date hereof with respect to the Obligations owing to the Assignor, and the Assignor's portion of the Loans as specified on Annex I.

2. The Assignor (a) represents and warrants that (i) it is the legal and beneficial owner of the interest being assigned by it hereunder and that such interest is free and clear of any adverse claim and (ii) it has full power and authority, and has taken all action necessary, to execute and deliver this Assignment Agreement and to consummate the transactions contemplated hereby; (b) makes no representation or warranty and assumes no responsibility with respect to any statements, warranties or representations made in or in connection with the Loan Documents or the execution, legality, validity, enforceability, genuineness, sufficiency or value of the Loan Documents or any other instrument or document furnished pursuant thereto; and (c) makes no representation or warranty and assumes no responsibility with respect to the financial condition of any Loan Party or the performance or observance by any Loan Party of any of its obligations under the Loan Documents or any other instrument or document furnished pursuant thereto.

3. The Assignee (a) confirms that it has received copies of the Financing Agreement and the other Loan Documents, together with copies of the financial statements referred to therein and such other documents and information as it has deemed appropriate to make its own credit analysis and decision to enter into this Assignment Agreement; (b) agrees that it will, independently and without reliance upon the Administrative Agent, the Collateral Agent, the Assignor, or any other Lender, based on such documents and information as it shall deem appropriate at the time, continue to make its own credit decisions in taking or not taking action under the Loan Documents; (c) confirms that it is eligible as an assignee under the terms of the Financing Agreement; (d) appoints and authorizes each of the Administrative Agent and the Collateral Agent to take such action as the Administrative Agent or the Collateral Agent (as the case may be) on its behalf and to exercise such powers under the Loan Documents as are delegated to the Administrative Agent or the Collateral Agent (as the case may be) by the terms thereof, together with such powers as are reasonably incidental thereto; (e) agrees that it will perform in accordance with their terms all of the obligations which by the terms of the Loan Documents are required to be performed by it as a Lender; and (f) attaches the forms prescribed by the Internal Revenue Service of the United States certifying as to the Assignee's status for purposes of determining exemption from United States withholding taxes with respect to all

payments to be made to the Assignee under the Financing Agreement or such other documents as are necessary to indicate that all such payments are subject to such rates at a rate reduced by an applicable tax treaty.

4. Following the execution of this Assignment Agreement by the Assignor and the Assignee, it will be delivered by the Assignor to the Collateral Agent for recording by the Collateral Agent. The effective date of this Assignment Agreement (the "Settlement Date") shall be the latest of (a) the date of the execution hereof by the Assignor and the Assignee, (b) the date this Assignment Agreement has been accepted by the Collateral Agent and recorded in the Register, (c) the date of receipt by the Collateral Agent of a processing and recordation fee in the amount of $[***][1], (d) the settlement date specified on Annex I, and (e) the receipt by Assignor of the Purchase Price specified in Annex I.

5. As of the Settlement Date (a) the Assignee shall be a party to the Financing Agreement and, to the extent of the interest assigned pursuant to this Assignment Agreement, have the rights and obligations of a Lender thereunder and under the other Loan Documents, and (b) the Assignor shall, to the extent of the interest assigned pursuant to this Assignment Agreement, relinquish its rights and be released from its obligations under the Financing Agreement and the other Loan Documents.

6. Upon recording by the Collateral Agent, from and after the Settlement Date, the Administrative Agent shall make all payments under the Financing Agreement and the other Loan Documents in respect of the interest assigned hereby (including, without limitation, all payments of principal, interest and commitment fees (if applicable) with respect thereto) to the Assignee. The Assignor and the Assignee shall make all appropriate adjustments in payments under the Financing Agreement and the other Loan Documents for periods prior to the Settlement Date directly between themselves on the Settlement Date.

7. THIS ASSIGNMENT AGREEMENT SHALL BE GOVERNED BY, AND CONSTRUED AND ENFORCED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK.

8. EACH PARTY HERETO HEREBY WAIVES ANY RIGHT TO A TRIAL BY JURY IN ANY ACTION, PROCEEDING OR COUNTERCLAIM BASED UPON OR ARISING OUT OF THIS ASSIGNMENT AGREEMENT OR ANY OF THE TRANSACTIONS RELATED HERETO, AND AGREES THAT ANY SUCH ACTION, PROCEEDING OR COUNTERCLAIM SHALL BE TRIED BEFORE A COURT AND NOT BEFORE A JURY.

9. This Assignment Agreement may be executed in any number of counterparts and by different parties hereto in separate counterparts, each of which when so executed and delivered shall be deemed an original, but all of which taken together shall constitute one and the same agreement. Delivery of an executed counterpart of this Assignment

[1] The payment of such fee shall not be required in connection with an assignment by a Lender to a Lender, an Affiliate of such Lender or a Related Fund of such Lender.

Agreement by facsimile or electronic mail shall be equally effective as delivery of an original executed counterpart.

[Remainder of page left intentionally blank.]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed and delivered by their respective officers thereunto duly authorized, as of the date first above written.

[ASSIGNOR]

By: _____

Name:

Title:

Date:

[ASSIGNEE]

By: _____

Name:

Title:

Date:

ACCEPTED AND CONSENTED TO this___ day of _____ , 20___

[REDACTED], as Administrative Agent

By: _____
Name:
Title:

ACCEPTED AND CONSENTED TO this___ day of _____ , 20___

[_____]

By: _____
Name:
Title:][2]

[2] To the extent required by the Financing Agreement.

Assignee:	Assignor:
Attn:	Attn:
Fax No.:	Fax No.:
Bank Name:	Bank Name:
ABA Number:	ABA Number:
Account Name:	Account Name:
Account Number:	Account Number:
Sub-Account Name:	Sub-Account Name:
Sub-Account Number:	Sub-Account Number:
Reference:	Reference:
Attn:	Attn:

EXHIBIT C

FORM OF NOTICE OF BORROWING

ASCEND NEW JERSEY, LLC
820 Bear Tavern Road
West Trenton, NJ 08628

, 202[_]

[REDACTED]
as Administrative Agent for the Lenders
party to the Financing Agreement referred to below
[REDACTED]
[REDACTED]
Attention: [REDACTED]

Ladies and Gentlemen:

The undersigned, Ascend New Jersey, LLC (the "Borrower"), (i) refers to the Financing Agreement, dated as of the date hereof (as the same may be amended, restated, supplemented or otherwise modified from time to time, including any replacement agreement therefor, the "Financing Agreement"), by and among the Borrower, the lenders from time to time party thereto (collectively, the "Lenders"), [REDACTED], as collateral agent for the Lenders (in such capacity, together with its successors and assigns, the "Collateral Agent"), and [REDACTED], as administrative agent for the Lenders (in such capacity, together with its successors and assigns, the "Administrative Agent" and together with the Collateral Agent, each an "Agent" and, collectively, the "Agents") and (ii) hereby gives you notice pursuant to Section 2.02 of the Financing Agreement that the undersigned hereby requests a Loan under the Financing Agreement (the "Proposed Loan"), and in connection therewith sets forth below the information relating to such Proposed Loan as required by Section 2.02 of the Financing Agreement. All capitalized terms used but not defined herein have the same meanings herein as set forth in the Financing Agreement.

a. The borrowing date of the Proposed Loan is _____.

b. The Proposed Loan is a Term Loan.

c. The aggregate principal amount of the Proposed Loan is $ _____.

d. The proceeds of the Proposed Loan are to be disbursed pursuant to the instructions set forth on Exhibit A attached hereto.

The undersigned certifies as of the date of this notice and as of the date the Proposed Loan is made that (i) [the representations and warranties contained in Article VI of the Financing Agreement and in each other Loan Document, certificate or other writing delivered to any

Secured Party pursuant thereto on or prior to the Effective Date are true and correct on and as of the Effective Date as though made on and as of such date, except to the extent that any such representation or warranty expressly relates solely to an earlier date (in which case such representation or warranty shall be true and correct on and as of such earlier date][2][the representations and warranties contained in Article VI of the Financing Agreement and in each other Loan Document, certificate or other writing delivered to any Secured Party pursuant thereto on or prior to the date of the Proposed Loan are true and correct in all material respects (except that such materiality qualifier shall not be applicable to any representations or warranties that already are qualified or modified as to materiality or "Material Adverse Effect" in the text thereof, which representations and warranties shall be true and correct in all respects subject to such qualification) on and as of such date as though made on and as of such date, except to the extent that any such representation or warranty expressly relates solely to an earlier date (in which case such representation or warranty shall be true and correct in all material respects on and as of such earlier date) (except that such materiality qualifier shall not be applicable to any representations or warranties that already are qualified or modified as to materiality or "Material Adverse Effect" in the text thereof, which representations and warranties shall be true and correct in all respects subject to such qualification)][3], (ii) [no Default or Event of Default shall have occurred and be continuing on the Effective Date or would result from the Financing Agreement or the other Loan Documents becoming effective in accordance with its or their respective terms][4][at the time of and after giving effect to the making of the Proposed Loan and the application of the proceeds thereof, no Default or Event of Default has occurred and is continuing or would result from the making of the Proposed Loan, on such date][5] [and (iii) the conditions set forth in Section 5.02 of the Financing Agreement shall have been satisfied as of the date of such request][6].

[SIGNATURE PAGES FOLLOW]

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[2] For Loans made on the Effective Date.

[3] For Loans made after the Effective Date.

[4] For Loans made on the Effective Date.

[5] For Loans made after the Effective Date.

[6] For Loans made after the Effective Date.

Very truly yours,

_____,

as the Borrower

By:

Title:

Date:

EXHIBIT A

WIRING INSTRUCTIONS

Payee	Wiring Instructions
	Bank:
	[City/State] **ABA #** **Account #** **Ref:**

EXHIBIT D

FORM OF COMPLIANCE CERTIFICATE

AWH NJ HOLDCO LLC
820 Bear Tavern Road
West Trenton, NJ 08628

To: The Agents and Lenders party to the Financing Agreement described below

Re: Compliance Certificate dated _____, 20[ ]

Ladies and Gentlemen:

Reference is made to that certain Financing Agreement, dated as of October 29, 2020 (such agreement, as amended, restated, supplemented or otherwise modified from time to time, being hereinafter referred to as the "Financing Agreement"), by and among AWH NJ Holdco LLC, a New Jersey limited liability company (the "Parent"), Ascend New Jersey, LLC, a New Jersey limited liability company (the "Borrower"), each subsidiary of the Parent listed as a "Guarantor" on the signature pages thereto (together with each other Person that executes a joinder agreement and becomes a "Guarantor" thereunder, each a "Guarantor" and collectively, the "Guarantors"), the lenders from time to time party thereto (each a "Lender" and collectively, the "Lenders"), [REDACTED], as collateral agent for the Lenders (in such capacity, together with its successors and assigns in such capacity, the "Collateral Agent"), and [REDACTED] as administrative agent for the Lenders (in such capacity, together with its successors and assigns in such capacity, the "Administrative Agent" and together with the Collateral Agent, each an "Agent" and collectively, the "Agents"). Capitalized terms used in this Compliance Certificate have the meanings set forth in the Financing Agreement unless specifically defined herein.

Pursuant to the terms of the Financing Agreement, the undersigned officer of Parent hereby certifies that:

1. The financial statements of the Parent and its Subsidiaries furnished in Schedule 1 [Omitted pursuant to Item 601(a)(5) of Regulation S-K] hereto pursuant to Section 7.01(a) of the Financing Agreement fairly present, in all material respects, the financial position of the Parent and its Subsidiaries as of the end of the period covered by such financial statements and the results of operations, retained earnings and cash flows of the Parent and its Subsidiaries for such period, in accordance with GAAP applied in a manner consistent with that of the most recent audited financial statements of the Parent and its Subsidiaries furnished to the Agents and the Lenders, subject to normal year-end adjustments and the absence of footnotes.

2. I have reviewed the provisions of the Financing Agreement and the other Loan Documents and have made, or caused to be made under my supervision, a review of the condition and operations of the Parent and its Subsidiaries during the period covered by the financial statements delivered pursuant to Section 7.01(a) of the Financing Agreement with a

view to determining whether the Parent and its Subsidiaries were in compliance with all of the provisions of the Financing Agreement and the other Loan Documents during such period.

3. Such review has not disclosed, and I have no knowledge of, the occurrence and continuance of a Default or Event of Default during the period covered by the financial statements delivered pursuant to Section 7.01(a) of the Financing Agreement, except as listed on Schedule 2 hereto, describing the nature and period of existence thereof and the action the Parent and its Subsidiaries have taken, are taking, or propose to take with respect thereto.

4. [Set forth on Schedule 3 hereto is a discussion and analysis of the financial condition and results of operations of Holdings and its Subsidiaries for the portion of the Fiscal Year elapsed as of the date hereof and discussing the reasons for any significant variations from the Projections for such period and the figures for the corresponding period in the previous Fiscal Year.][7]

5. [Set forth on Schedule 4 hereto is a summary of all material insurance coverage (in the form delivered on the Effective Date) maintained by any Loan Party or any of its Subsidiaries as of the date hereof.][8]

6. [Set forth on Schedule 5 hereto is the calculation of the Excess Cash Flow in accordance with the terms of Section 2.05(c)(i) of the Financing Agreement.][9]

7. [I confirm that there have been no changes to the information contained in each of the Perfection Certificates delivered on the Effective Date or the date of the most recently updated Perfection Certificate delivered pursuant to Section 7.01(a) of the Financing Agreement] [Attached to Schedule 6 hereto is an updated Perfection Certificate identifying any changes to the information contained in the most recent Perfection Certificate delivered on the Effective Date or pursuant to Section 7.01(a) of the Financing Agreement, as the case may be.][10]

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[7] To be included in certificates delivered pursuant to Section 7.01(a)(ii) and 7.01(a)(iii).
[8] To be included in certificates delivered pursuant to Section 7.01(a)(iii).
[9] To be included in certificates delivered pursuant to Section 7.01(a)(iii).
[10] To be included in certificates delivered pursuant to Section 7.01(a)(iii). Choose one.

IN WITNESS WHEREOF, this Compliance Certificate is executed by the undersigned this _____ day of , _____ .

AWH NJ HOLDCO LLC

By: ----------
Name: ----------
Title: ----------

SCHEDULE 1

Financial Statements

[***]

SCHEDULE 2

Default or Event of Default

[***]

SCHEDULE 3

Discussion and Analysis

[***]

SCHEDULE 4

Insurance Coverage

[***]

SCHEDULE 5

Excess Cash Flow

[***]

SCHEDULE 6

Updated Perfection Certificate

[***]

EXHIBIT 2.09(d)-1

U.S. TAX COMPLIANCE CERTIFICATE

(For Foreign Lenders That Are Not Partnerships For U.S. Federal Income Tax Purposes)

Reference is hereby made to the Financing Agreement dated as of October 29, 2020 (as amended, supplemented or otherwise modified from time to time, the "Financing Agreement"), among Ascend New Jersey, LLC, a New Jersey limited liability company (the "Borrower"), AWH NJ Holdco LLC, a New Jersey limited liability company (the "Parent"), each subsidiary of the Parent listed as a "Guarantor" on the signature pages thereto (together with the Parent and each other Person that executes a joinder agreement and becomes a "Guarantor" thereunder, each a "Guarantor" and collectively, the "Guarantors"), and each lender from time to time party thereto. Unless otherwise defined herein, terms defined in the Financing Agreement and used herein shall have the meanings given to them in the Financing Agreement.

Pursuant to the provisions of Section 2.09(d) of the Financing Agreement, the undersigned hereby certifies that (i) it is the sole record and beneficial owner of the Loan or Loans (as well as any promissory note evidencing any such Loan) in respect of which it is providing this certificate, (ii) it is not a bank within the meaning of Section 881(c)(3)(A) of the Internal Revenue Code, (iii) it is not a ten percent shareholder of a Borrower within the meaning of Section 871(h)(3)(B) of the Internal Revenue Code and (iv) it is not a controlled foreign corporation related to a Borrower as described in Section 881(c)(3)(C) of the Internal Revenue Code.

The undersigned has furnished the Administrative Agent and the Borrower with a certificate of its non-U.S. Person status on IRS Form W-8BEN. By executing this certificate, the undersigned agrees that (1) if the information provided on this certificate changes, the undersigned shall promptly so inform the Borrower and the Administrative Agent, and (2) the undersigned shall have at all times furnished the Borrower and the Administrative Agent with a properly completed and currently effective certificate in either the calendar year in which each payment is to be made to the undersigned, or in either of the two calendar years preceding such payments.

[NAME OF LENDER]

By: _____

Name:

Title:

Date: _____ __, 20[ ]

EXHIBIT 2.09(d)-2
U.S. TAX COMPLIANCE CERTIFICATE

(For Foreign Participants That Are Not Partnerships For U.S. Federal Income Tax Purposes)

Reference is hereby made to the Financing Agreement dated as of October 29, 2020 (as amended, supplemented or otherwise modified from time to time, the "Financing Agreement"), among Ascend New Jersey, LLC, a New Jersey limited liability company (the "Borrower"), AWH NJ Holdco LLC, a New Jersey limited liability company (the "Parent"), each subsidiary of the Parent listed as a "Guarantor" on the signature pages thereto (together with the Parent and each other Person that executes a joinder agreement and becomes a "Guarantor" thereunder, each a "Guarantor" and collectively, the "Guarantors"), and each lender from time to time party thereto. Unless otherwise defined herein, terms defined in the Financing Agreement and used herein shall have the meanings given to them in the Financing Agreement.

Pursuant to the provisions of Section 2.09(d) of the Financing Agreement, the undersigned hereby certifies that (i) it is the sole record and beneficial owner of the participation in respect of which it is providing this certificate, (ii) it is not a bank within the meaning of Section 881(c)(3)(A) of the Internal Revenue Code, (iii) it is not a ten percent shareholder of a Borrower within the meaning of Section 871(h)(3)(B) of the Internal Revenue Code, and (iv) it is not a controlled foreign corporation related to a Borrower as described in Section 881(c)(3)(C) of the Internal Revenue Code.

The undersigned has furnished its participating Lender with a certificate of its non-U.S. Person status on IRS Form W-8BEN. By executing this certificate, the undersigned agrees that (1) if the information provided on this certificate changes, the undersigned shall promptly so inform such Lender in writing, and (2) the undersigned shall have at all times furnished such Lender with a properly completed and currently effective certificate in either the calendar year in which each payment is to be made to the undersigned, or in either of the two calendar years preceding such payments.

[NAME OF PARTICIPANT]

By: _____
Name:
Title:

Date: _____ __, 20[ ]

EXHIBIT 2.09(d)-3
U.S. TAX COMPLIANCE CERTIFICATE

(For Foreign Participants That Are Partnerships For U.S. Federal Income Tax Purposes)

Reference is hereby made to the Financing Agreement dated as of October 29, 2020 (as amended, supplemented or otherwise modified from time to time, the "Financing Agreement"), among Ascend New Jersey, LLC, a New Jersey limited liability company (the "Borrower"), AWH NJ Holdco LLC, a New Jersey limited liability company (the "Parent"), each subsidiary of the Parent listed as a "Guarantor" on the signature pages thereto (together with the Parent and each other Person that executes a joinder agreement and becomes a "Guarantor" thereunder, each a "Guarantor" and collectively, the "Guarantors"), and each lender from time to time party thereto. Unless otherwise defined herein, terms defined in the Financing Agreement and used herein shall have the meanings given to them in the Financing Agreement.

Pursuant to the provisions of Section 2.09(d) of the Financing Agreement, the undersigned hereby certifies that (i) it is the sole record owner of the participation in respect of which it is providing this certificate, (ii) its direct or indirect partners or members are the sole beneficial owners of such participation, (iii) with respect such participation, neither the undersigned nor any of its direct or indirect partners or members is a bank extending credit pursuant to a loan agreement entered into in the ordinary course of its trade or business within the meaning of Section 881(c)(3)(A) of the Internal Revenue Code, (iv) none of its direct or indirect partners or members is a ten percent shareholder of a Borrower within the meaning of Section 871(h)(3)(B) of the Internal Revenue Code and (v) none of its direct or indirect partners or members is a controlled foreign corporation related to a Borrower as described in Section 881(c)(3)(C) of the Internal Revenue Code.

The undersigned has furnished its participating Lender with IRS Form W-8IMY accompanied by one of the following forms from each of its partners/members that is claiming the portfolio interest exemption: (i) an IRS Form W-8BEN or (ii) an IRS Form W-8IMY accompanied by an IRS Form W-8BEN from each of such partner's/member's beneficial owners that is claiming the portfolio interest exemption. By executing this certificate, the undersigned agrees that (1) if the information provided on this certificate changes, the undersigned shall promptly so inform such Lender and (2) the undersigned shall have at all times furnished such Lender with a properly completed and currently effective certificate in either the calendar year in which each payment is to be made to the undersigned, or in either of the two calendar years preceding such payments.

[NAME OF PARTICIPANT]

By: _____
Name:
Title:

Date: _____ __, 20[ ]

EXHIBIT 2.09(d)-4
U.S. TAX COMPLIANCE CERTIFICATE

(For Foreign Lenders That Are Partnerships For U.S. Federal Income Tax Purposes)

Reference is hereby made to the Financing Agreement dated as of October 29, 2020 (as amended, supplemented or otherwise modified from time to time, the "Financing Agreement"), among Ascend New Jersey, LLC, a New Jersey limited liability company (the "Borrower"), AWH NJ Holdco LLC, a New Jersey limited liability company (the "Parent"), each subsidiary of the Parent listed as a "Guarantor" on the signature pages thereto (together with the Parent and each other Person that executes a joinder agreement and becomes a "Guarantor" thereunder, each a "Guarantor" and collectively, the "Guarantors"), and each lender from time to time party thereto. Unless otherwise defined herein, terms defined in the Financing Agreement and used herein shall have the meanings given to them in the Financing Agreement.

Pursuant to the provisions of Section 2.09(d) of the Financing Agreement, the undersigned hereby certifies that (i) it is the sole record owner of the Loan or Loans (as well as any promissory note evidencing any such Loan) in respect of which it is providing this certificate, (ii) its direct or indirect partners or members are the sole beneficial owners of such Loan or Loans (as well as any promissory note evidencing such Loan), (iii) with respect to the extension of credit pursuant to this Financing Agreement or any other Loan Document, neither the undersigned nor any of its direct or indirect partners or members is a bank extending credit pursuant to a loan agreement entered into in the ordinary course of its trade or business within the meaning of Section 881(c)(3)(A) of the Internal Revenue Code, (iv) none of its direct or indirect partners or members is a ten percent shareholder of a Borrower within the meaning of Section 871(h)(3)(B) of the Internal Revenue Code and (v) none of its direct or indirect partners or members is a controlled foreign corporation related to a Borrower as described in Section 881(c)(3)(C) of the Internal Revenue Code.

The undersigned has furnished the Administrative Agent and the Borrower with IRS Form W-8IMY accompanied by one of the following forms from each of its partners/members that is claiming the portfolio interest exemption: (i) an IRS Form W-8BEN or (ii) an IRS Form W-8IMY accompanied by an IRS Form W-8BEN from each of such partner's/member's beneficial owners that is claiming the portfolio interest exemption. By executing this certificate, the undersigned agrees that (1) if the information provided on this certificate changes, the undersigned shall promptly so inform the Borrower and the Administrative Agent, and (2) the undersigned shall have at all times furnished the Borrower and the Administrative Agent with a properly completed and currently effective certificate in either the calendar year in which each payment is to be made to the undersigned, or in either of the two calendar years preceding such payments.

[NAME OF LENDER]

By: _____

Name:

Title:

Date: _____ __, 20[ ]

ASCEND WELLNESS HOLDINGS, LLC (the "Company")

CONVERTIBLE NOTES OFFERING
INSTRUCTIONS

After carefully reading in their entirety (1) the Convertible Note Purchase Agreement, (2) the Schedule, Forms and Exhibits attached to and incorporated in this Convertible Note Purchase Agreement, as listed below, and (3) the Third Amended and Restated Limited Liability Company Agreement of the Company, a person or entity wishing to subscribe for a Convertible Note of the Company and lend funds to the Company is asked to complete the steps referenced on the following page.

Investors with questions regarding this investment may contact Sarah Levy slevy@awholdings.com.

Upon acceptance of your Convertible Note Purchase Agreement by the Company in accordance with the terms thereof, copies of all submitted documents countersigned by the Company and a signed completed original Note will be returned to you.

The following are the Schedules, Form and Exhibits attached to and incorporated in this Convertible Note Purchase Agreement by reference and deemed to be a part hereof:

Schedule I	-	Schedule of Purchasers
Exhibit A	-	Form of Note
Exhibit B	-	Risk Factors
Exhibit C	-	Term Sheet
Exhibit D	-	Wire Instructions
Form A	-	Canadian Accredited Investor Status Certificate
Form B	-	International Jurisdiction Certificate
Form C	-	U.S. Accredited Investor Certificate
Form D	-	W-8BEN and W-8BEN-E
Form E	-	W-9

HAVE YOU COMPLETED THIS SUBSCRIPTION AGREEMENT PROPERLY?

The following items in this Subscription Agreement (as defined herein) must be completed. Please initial each box.

All Investors

	All Investors (as defined herein) must complete the information in the boxes on pages i and ii.
	All Investors must sign the execution page of this Subscription Agreement on page i.
	All Investors must provide payment in immediately available funds to the Company via the wire instructions provided on Exhibit D.

U.S. Investors

	Investors who are in the United States, a U.S. Person or purchasing securities for the account or benefit of a person or persons that is/are in the United States or U.S. Persons must complete the U.S. Accredited Investor Certificate in Form C and a W-9 set out in Form E.

Non-U.S. Investors

	Investors relying on the "Accredited Investor" exemption under Section 2.3 of National Instrument 45-106 – Prospectus Exemptions of the Canadian Securities Administrators ("NI 45-106") (except those that are not resident in a province of Canada and not otherwise subject to Canadian Securities Laws (as defined herein)) must complete the Canadian Accredited Investor Status Certificate in Form A, indicating which category is applicable and sign on page A-5.
	Investors relying on categories (j), (k) or (l) of the "Accredited Investor" exemption (and that do not meet the higher financial asset threshold set out in category (j.1) of Form A) must complete Exhibit "I" to Form A and sign on page A-7.
	Investors resident outside of Canada and the United States (as defined herein) must complete Form B.
	Investors who are **not**: (i) in the United States; (ii) a U.S. Person (as defined herein); or (iii) purchasing For the benefit of a person or persons that is/are in the United States or U.S. Persons must complete a W-8BEN or W-8BEN-E, as applicable, set out in Form D.

ASCEND WELLNESS HOLDINGS, LLC

SUBSCRIPTION AGREEMENT FOR CONVERTIBLE NOTES

TO: ASCEND WELLNESS HOLDINGS, LLC (THE "COMPANY")

The undersigned, on its own behalf and, if applicable, on behalf of a Disclosed Principal (as defined herein) for whom it is acting hereunder (the "**Investor**"), hereby irrevocably subscribes for and agrees to purchase convertible notes of the Company (each a "**Note**") set out below. The Investor agrees to be bound by the terms and conditions set forth in the attached Convertible Note Purchase Agreement, as summarized in the attached Term Sheet, attached as Exhibit C, including, without limitation, the terms, representations, warranties, covenants, certifications and acknowledgements set forth in the applicable Schedules, Form and Exhibits attached thereto. The Investor further agrees, without limitation, that the Company may rely upon the Investor's representations, warranties, covenants, certifications and acknowledgments contained in such documents.

SUBSCRIPTION AND INVESTOR INFORMATION

Please print all information (other than signatures), as applicable, in the space provided below

Investor Information and Signature

_____
(Name of Investor)

By: _____
Authorized Signature

_____
(Official Capacity or Title – if the Investor is not an individual)

_____
(Name of individual whose signature appears above if different than the name of the Investor printed above.)

_____
(Investor's Residential Address, including Municipality and Province)

_____

_____
(Investor's Telephone Number) (Email Address)

Aggregate Subscription Amount: US$ _____
(the "**Subscription Amount**")

If the Investor is signing as agent or trustee for a principal (a "Disclosed Principal") and is not purchasing as trustee or agent for accounts fully managed by it, so as to be deemed to be purchasing as principal pursuant to NI 45-106 complete the following:

_____
(Name of Disclosed Principal)

_____
(Residential Address of Disclosed Principal)

_____
(Telephone Number of Disclosed Principal)

_____
(Account Reference, if applicable)

The Investor hereby provides the following registration and delivery instructions in connection with the physical settlement of the Notes being purchased hereunder.

Accepted:
ASCEND WELLNESS HOLDINGS, LLC

By: _____
Name: Abner Kurtin
Its: CEO & Founder
Date: _____,

Account Registration Information:

(Name)

(Account Reference, if applicable)

(Address, including Postal Code)

Delivery Instructions:

(Name)

(Account Reference, if applicable)

(Address, including Postal Code)

(Telephone Number) (Fax Number)

(Contact Name)

Number and kind of securities of the Company held, directly or indirectly, or over which control or direction is exercised by the Investor, if any:

State whether Investor is an Insider of the Company (as such term is defined in the *Securities Act* (Ontario)):

Yes ☐ No ☐

State whether Investor is a Registrant (as such term is defined in the *Securities Act* (Ontario)):

Yes ☐ No ☐

Execution by the Investor above shall constitute an irrevocable offer and agreement by the Investor to subscribe for the securities described herein on the terms and conditions herein set out. The Company shall be entitled to rely on the delivery of a PDF or facsimile copy of this subscription or a copy delivered by other electronic means, and acceptance by the Company of such PDF, facsimile or copy delivered by other electronic means shall be legally effective to create a valid and binding agreement between the Investor and the Company in accordance with the terms and conditions hereof.

THE COMPANY IS NOT A REPORTING ISSUER IN ANY JURISDICTION AND THE NOTES WILL BE SUBJECT TO AN INDEFINITE HOLD PERIOD.

ASCEND WELLNESS HOLDINGS, LLC

CONVERTIBLE NOTE PURCHASE AGREEMENT

This CONVERTIBLE NOTE PURCHASE AGREEMENT, dated as of June 12, 2019 (this "**Agreement**"), is entered into by Ascend Wellness Holdings, LLC, a Delaware limited liability company (the "**Company**") and the persons listed on **Schedule I** attached hereto (the "**Investors**").

PRELIMINARY STATEMENT

The Company is conducting a round of financing, raising up to $35,000,000, or such greater amount as may be determined by the Company, in the form of convertible notes (each individually a "**Note**" and collectively, the "**Notes**", with each registered owner of a Note being sometimes referred to as a "**Holder**") that can be convertible into equity securities of the Company as more specifically set forth herein.

TERMS AND CONDITIONS

NOW, THEREFORE, in consideration of their mutual covenants set forth herein, the Company and the Investors agree as follows:

1. Authorization of Notes. Prior to the Initial Closing (as defined in **Section 3.1**), the Company shall have authorized the issuance and sale of Notes of not more than Thirty Five Million Dollars ($35,000,000) in original principal amount, or such greater amount as may be determined by the Company in its sole discretion. The Notes shall be convertible into equity securities of the Company, all as set forth herein, and subject to the provisions of, the form of Note attached as **Exhibit A** and incorporated herein.

2. Sale and Issuance of Notes. At the Initial Closing, and thereafter at one or more subsequent Closings, the Company shall sell and issue to each Investor, and each Investor shall purchase and acquire from the Company, upon the terms and conditions set forth herein, a Note in the original principal amount as set forth on the Signature Page (defined below) of such Investor attached hereto (which amount shall thereafter be entered by the Company on **Schedule I** opposite such Investor's name) at a purchase price equal to such original principal amount, which shall be for an amount not less than $100,000. Each Investor's obligations hereunder with respect to the purchase of a Note shall be several, and not joint.

3. Closing of Sale of Notes.

3.1 Closings. The closings with respect to the transactions contemplated hereby (each a "**Closing**") shall take place on one or more dates (each a "**Closing Date**") as may be determined by the Company either (i) until the Company shall have effectuated Closings for not more than $35,000,000 in original principal amount of the Notes (or such greater amount as may be determined by the Company in its sole discretion), or (ii) until the Board of Managers of the Company (the "**Board**") shall have determined, in its sole discretion, that the offering of the Notes made by this Agreement shall have terminated. The Initial Closing shall take place on the date hereof (the "**Initial Closing**").

Each Closing shall be held at the offices of the Company or remotely via the exchange of documents and signatures. Each Investor who desires to purchase a Note shall subscribe hereto by completing, executing and delivering to the Company the Subscription Agreement for Convertible Notes attached to this Agreement (each, a "**Signature Page**") and the applicable accredited investor questionnaire attached hereto as **Form A**, **Form B**, and **Form C**, together with payment by check drawn on good funds or by wire transfer of immediately available funds of the original principal amount of the Note so purchased. In addition Investors who are in the United States, a U.S. Person (as such term is defined in Rule 902(k) of Regulation S under the United States Securities Act of 1933, as amended (the "**Securities Act**")) or purchasing securities for the account or benefit of a person or persons that is/are in the United States or U.S.

Persons must complete a W-9 as attached as **Form E**. Investors who are not: (i) in the United States; (ii) a U.S. Person (as defined herein); or (iii) purchasing for the benefit of a person or persons that is/are in the United States or U.S. Persons must complete a W-8BEN (individuals) or W-8BEN-E (entities), as applicable, set out in **Form D**.

As each Closing is completed, the Signature Pages of Investors purchasing Notes at such Closing shall be attached to this Agreement, and **Schedule I** shall be amended accordingly. The Company may accept or reject, in whole or in part and at its sole discretion, any offer by an Investor to purchase a Note.

3.2 Issuance and Delivery of Note. As of the date of each Closing, the Company shall issue and deliver to each Investor an executed Note in the form of **Exhibit A** in the original principal amount as is set forth on the Signature Page of such Investor delivered to the Company hereunder (which amount shall thereafter be entered by the Company on **Schedule I** opposite such Investor's name). The rights of each Investor with respect to such Investor's Note shall be as set forth in the Note and this Agreement.

4. Conversion of Notes. In accordance with the terms and conditions set forth in the Notes, the entire amount of outstanding principal and accrued interest under each Note shall be redeemed or converted, as follows:

4.1 Go-Public Transaction. From and after the date hereof, in the event that the Company completes a Go-Public Transaction (defined below) prior to the Maturity Date (as defined in the Notes), all Notes, including all accrued and unpaid interest thereon less applicable withholding taxes, shall automatically and simultaneously with the closing thereof be converted (which such conversion shall be mandatory as to all Notes outstanding at the time of such Go-Public Transaction) into equity securities of the Company issued in connection with the Go-Public Transaction (the "**Go-Public Security**"), with such numbers of Go-Public Securities of the Company issued on the basis of a price equal to the lesser of: (a) (i) in the event the Go-Public Transaction occurs on or before 12 months from the Closing Date, a 20% discount to the issue price of the Go-Public Securities; (ii) in the event the Go-Public Transaction occurs after 12 months from the Closing Date, but before the Maturity Date, a 25% discount to the issue price of the Go-Public Securities; and (b) a price per security equal to the price per share resulting from a pre-money valuation of the Company of $295,900,000 (the "**Maturity Conversion Price**") (which pre-money valuation is used for the sole purpose of calculating the amount of equity to which the Notes are converted into). As used herein, a "**Go-Public Transaction**" shall be defined as the closing of: (i) a transaction resulting in the business or assets of the Company being listed (directly or indirectly) on the Canadian Securities Exchange or any other recognized securities exchange (the "**Stock Exchange**"), including but not limited to an initial public offering, plan of arrangement, amalgamation, reverse take-over or other business combination pursuant to which the securities of the Company (or any resulting issuer or parent thereof) are listed on the Stock Exchange; and (ii) a concurrent financing for aggregate gross proceeds of greater than or equal to $20,000,000.

4.2 Maturity. If the Company does not consummate a Go-Public Transaction prior to the Maturity Date then, upon the election of the Holder of a Note, the outstanding principal amount, together with accrued and unpaid interest, on the Notes (i) shall be paid in full on the Maturity Date, or (ii) shall convert into shares of common units of the Company ("**Shares**"), at a price per Share reflecting the Maturity Conversion Price.

4.3 Change of Control. In the event that the Company effects a Change of Control (as defined below) prior to the Maturity Date, other than in connection with the Go-Public Transaction, then within 30 days following the consummation of a Change of Control, the Company shall make an offer in writing to each of the Holders (the "**Change of Control Offer**") to, at each of such Holders' election, either: (i) purchase the Notes from such Holders for cash at 102% of the principal amount thereof and the accrued and unpaid interest thereon; or (ii) convert the outstanding principal amount together with accrued and

unpaid interest of the Note at a price equal to 95% of the Maturity Conversion Price. Notwithstanding the foregoing, if 90% or more of the principal amount of the Notes outstanding on the date of the giving of notice of the Change of Control have been tendered to the Company pursuant to an offer made to the Holders, the Company will have the right to redeem all the remaining Notes for cash at 102% of the principal amount thereof and the accrued and unpaid interest thereon. As used herein, a "**Change of Control**" shall mean, other than in connection with the Go-Public Transaction: (i) any transaction (whether by purchase, merger or otherwise) whereby a person or persons acting jointly or in concert directly or indirectly acquires the right to cast, at a general meeting of shareholders of the Company, more than 50% of the votes that may be ordinarily cast at a general meeting; (ii) the Company's amalgamation, consolidation or merger with or into any other person, any merger of another person into the Company, unless the holders of voting securities of the Company immediately prior to such amalgamation, consolidation or merger hold securities representing 50% or more of the voting control or direction in the Company or the successor entity upon completion of such amalgamation, consolidation or merger; or (iii) any conveyance, transfer, sale lease or other disposition of all or substantially all of the Company's and the Company's subsidiaries' assets and properties, taken as a whole, to another arm's length person.

4.4 In all events of conversion of Notes and as a condition thereto, which only the Company can waive, Holder agrees to execute all documents executed by members of the Company holding similar equity to which the Note is converted.

5. Representations and Warranties of the Company. The Company hereby represents and warrants to the Investors as follows:

5.1 Organization. The Company is a limited liability company duly organized, validly existing and in good standing under the laws of the State of Delaware; and has all requisite company power and authority to own and lease its property and to carry on its business as presently conducted and as proposed to be conducted.

5.2 Authorization of this Agreement and the Notes. The execution, delivery and performance by the Company of this Agreement and the Notes and of the transactions contemplated hereby and thereby have been duly authorized by all requisite action on the part of the Company. This Agreement has been duly executed and delivered by the Company and constitutes a valid and binding agreement of the Company that is enforceable in accordance with its terms. As of the date of issue thereof, each of the Notes will constitute a valid and binding obligation of the Company that is enforceable in accordance with its terms. The execution, delivery and performance of this Agreement and the Notes, and the compliance with the provisions hereof and thereof by the Company, will not (i) conflict with or result in any breach of any of the terms, conditions or provisions of, or constitute (with due notice or lapse of time, or both) a default (or give rise to any right of termination, cancellation or acceleration) under (A) any agreement, document, instrument, contract, understanding, arrangement, note, indenture, mortgage or lease to which the Company is a party or under which the Company or any of its assets is bound or affected, (B) the Company's Certificate of Formation, or (C) the Company's limited liability company agreement; or (ii) result in the creation of any lien, security interest, charge or encumbrance upon any of the properties or assets of the Company.

5.3 Consents and Approvals. No authorization, consent, approval or other order of, or declaration to or filing with, any governmental agency or body (other than filings required to be made under applicable federal or state securities laws) is required for the valid authorization, execution, delivery and performance by the Company of this Agreement or the Notes. The Company has obtained all other consents that are necessary to permit the consummation of the transactions contemplated hereby.

5.4 Sole Representations. Except as expressly set forth in this **Section 5**, the Company makes no other representation or warranty in connection with the transactions contemplated by this Agreement.

6. Use of Proceeds. The Company is expected to use the proceeds from the sale of the Notes for general corporate purposes including working capital, business development and mergers & acquisitions.

7. Representations and Warranties of the Investors. Each of the Investors, severally and not jointly, represents and warrants to the Company as follows:

7.1 Authorization. The Investor has full power and authority to enter into this Agreement which, when executed and delivered by the Investor, will constitute the valid and legally binding obligation of the Investor, enforceable in accordance with its terms, except as limited by applicable bankruptcy, insolvency, reorganization, moratorium, fraudulent conveyance, and any other laws of general application affecting enforcement of creditors' rights generally, and as limited by laws relating to the availability of specific performance, injunctive relief, or other equitable remedies.

7.2 Purchase for Investment. The Investor is purchasing the Note, and if and when the Note is converted will acquire the units of the Company, for investment for the account of the Investor and not for the account of any other person, and not with a view toward resale or other distribution thereof. The Investor understands that the Note being purchased has not been, and when issued the units issuable upon conversion will not be, registered under the Securities Act and applicable state securities laws and, therefore, cannot be resold unless subsequently registered under the Securities Act and applicable state securities laws or unless an exemption from such registration is available. The Investor further understands and agrees that, until so registered or transferred pursuant to the provisions of Rule 144 under the Securities Act, the Note and all certificates evidencing any of the units, whether upon initial issuance or upon any transfer thereof, shall bear a legend, prominently stamped or printed thereon, reading substantially as follows:

> THIS SECURITY HAS NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "**ACT**"), OR APPLICABLE STATE SECURITIES LAWS. THIS SECURITY MAY ONLY BE SOLD, PLEDGED, OR OTHERWISE TRANSFERRED PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE ACT AND APPLICABLE STATE SECURITIES LAWS, OR PURSUANT TO AN EXEMPTION FROM THE REGISTRATION PROVISIONS OF THE ACT AND SUCH LAWS. ADDITIONAL CONDITIONS ARE IMPOSED BY THIS SECURITY AND THE AGREEMENT PURSUANT TO WHICH THIS SECURITY WAS SOLD, AND THE COMPANY MAY REFUSE TO THE TRANSFER OF THIS SECURITY UNLESS SUCH CONDITIONS ARE FULFILLED.

The Investor understands and agrees that the Company does not have any present intention and is under no obligation to register the Note, the units issuable upon conversion, whether upon initial issuance or upon any transfer thereof under the Securities Act and applicable state securities laws, and that Rule 144 may not be available as a basis for exemption from registration. The Investor acknowledges and agrees that the Company may condition the transfer of the Note, or the units, upon the receipt of an opinion, satisfactory in form and substance to the Company and from counsel satisfactory to the Company, in each of such instances in the sole discretion of the Company, that such proposed transfer shall not result in the violation of any federal or state securities law.

7.3 Receipt of Information. The Investor or such Investor's representative, during the course of this transaction and prior to the purchase of the Note being purchased by the Investor hereunder, has had the opportunity to ask questions of and receive answers from representatives of the Company concerning the terms and conditions of the offering of the Notes and the business of the Company; and to obtain any additional information or documents relative to the Company, its business and an investment in the Company necessary to verify the accuracy of information provided by the Company relative to the business of the Company. The Investor or the Investor's representative has received and read or reviewed,

and is familiar with, this Agreement, the form of the Note and all such additional information and documents provided to the Investor.

7.4 Materials Incorporated by Reference. Investor acknowledges receipt of the Third Amended and Restated Limited Liability Company Agreement of the Company and the Risk Factors as set forth on **Exhibit B** attached hereto (the "**Risk Factors**"), and acknowledges having read and understood the terms and provisions of both of the foregoing, including, without limitation, all Risk Factors relating to the Company's involvement in the cannabis industry. Investor hereby further acknowledges and agrees that the Risk Factors do not reflect all of the risks involved in an investment in the Company.

7.4 Sophistication of Investor. The Investor or the Investor's representative is capable of evaluating the merits and risks of the purchase of the Notes. The Investor has the capacity to protect his or her own interests in connection with the purchase of the Notes by reason of the Investor's business or financial experience or the business or financial experience of the Investor's representative (who is unaffiliated with and who is not compensated by the Company or any affiliate, directly or indirectly).

7.5 Risk of Investment. The purchase of a Note by the Investor is consistent with his or her general investment objectives. The Investor understands that the purchase of the Notes involves a high degree of risk and there is now no established market for the Company's Notes or equity and there is no assurance that any public market for the Notes or such equity will develop. The Investor has no present need for liquidity in connection with the funds being tendered by such Investor hereunder. The Investor can bear the economic risks of this investment and can afford a complete loss of his investment.

7.6 Accredited Investor. The Investor has completed and delivered to the Company herewith the applicable accredited investor questionnaire attached hereto as **Form A, Form B and Form C**, acknowledging, among other matters, that he, she or it is an "**Accredited Investor**," as that term is defined in Rule 501 of Regulation D promulgated under the Securities Act (or similar affirmation of accreditation under Canadian or other applicable laws).

7.7 No Commissions. No person or entity has or will have, as a result of the transactions contemplated by this Agreement, any right, interest or claim against or upon the Company or the Investor for any commission, fee or other compensation as a finder or broker because of any act or omission by the Investor or by any agent of the Investor.

7.8 No General Solicitation. Neither the Investor, nor any of its officers, managers, members employees, agents, members or partners has either directly or indirectly, including through a broker or finder (a) engaged in any general solicitation, or (b) published any advertisement in connection with the offer and sale of the Notes.

7.9 Residence. If the Investor is an individual, then the Investor resides in the state or province identified in the address of the Investor set forth on the Signature Page; if the Investor is a partnership, corporation, limited liability company or other entity, then the office or offices of the Investor in which its principal place of business is identified in the address or addresses of the Investor set forth on the Signature Page.

7.10 Authorization of the Company. Each Investor hereby appoints, and shall appoint, any person(s) designated by the board of the Company as the Investor's true and lawful proxy and attorney, with the power to act alone and with full power of substitution,

(a) to receive the Notes, to execute in the Investor's name and on its behalf all closing receipts and required documents, to complete and correct any errors or omissions in any form or document provided by the Investor, including this Agreement and the attachments hereto, in connection with the subscription for the Notes;

(b) to extend such time periods and to waive, in whole or in part, any representations, warranties, covenants, conditions or other terms for the Investor's benefit contained in this Agreement or any ancillary or related document;

(c) to terminate, prior to the Initial Closing, this Agreement if any condition precedent is not satisfied, in such manner and on such terms and conditions as the Company in its sole discretion may determine, acting reasonably;

(d) to vote all voting securities held by the Investor; and

(e) to execute and deliver on behalf of the Investor all documents, instruments, and agreements necessary or requested by the Company or its underwriters, including any customary lock-up agreement in a Go-Public Transaction.

EACH INVESTOR HEREBY GRANTS TO THE COMPANY OR ITS DESIGNEE AN IRREVOCABLE PROXY AND POWER OF ATTORNEY TO VOTE ALL VOTING SECURITIES OF THE COMPANY NOW OR HEREAFTER OWNED OR CONTROLLED BY EACH OF THEM AT ANY ANNUAL OR SPECIAL MEETING OF THE MEMBERS OR STOCKHOLDERS OF THE COMPANY, OR BY WRITTEN CONSENT IN LIEU OF SUCH A MEETING. EACH INVESTOR ACKNOWLEDGES AND AGREES THAT THE PROXY AND POWER OF ATTORNEY GRANTED PURSUANT TO THIS SECTION IS COUPLED WITH AN INTEREST AND SHALL SURVIVE THE DEATH, DISABILITY, INCAPACITY, DISSOLUTION, BANKRUPTCY, INSOLVENCY OR TERMINATION OF SUCH INVESTOR AND THE TRANSFER OF ALL OR ANY PORTION OF SUCH INVESTOR'S SHARES AND SHALL EXTEND TO SUCH INVESTOR'S HEIRS, SUCCESSORS, ASSIGNS, AND PERSONAL REPRESENTATIVES

8. Closing Conditions; Covenants of the Company.

8.1 Conditions to Obligations of the Investors. It shall be a condition precedent to the obligations of any Investor to be performed at the Initial Closing or at the subsequent Closing in which such Investor participates that:

(i) Investors received all documents which they may reasonably have requested in connection with such transactions.

(ii) All representations and warranties of the Company shall be accurate, correct and complete on the date hereof.

(iii) There shall have been no material adverse change in the financial condition of the Company between the date of the Signature Page for such Investor and the date of the Closing in which such Investor shall participate.

8.2 Conditions to Obligations of the Company. It shall be a condition precedent to the obligations of the Company hereunder to be performed at the Initial Closing or at any subsequent Closing that:

(i) The Company shall have received the check, wire transfer or other funds or consideration described in **Section 3** to be delivered to the Company in consideration of the issuance of the Notes at such closing.

(ii) All representations and warranties of the Investors shall be accurate, correct and complete on the date of the Closing in which such Investors participate.

(iii) Notwithstanding anything in this Agreement to the contrary, the Company has absolute discretion as to whether or not to accept an investment from the Investor.

9. Miscellaneous.

9.1 Successors and Assigns. Except as otherwise expressly provided herein, this Agreement shall bind and inure to the benefit of the Company, the Investors, the respective permitted successors and assigns of the Investors and the permitted successors and assigns of the Company. The Company is authorized to assign this Agreement in the event of sale, merger, consolidation, reorganization, consolidation, share exchange, or like transaction, involving all or substantially all of its assets or equity, provided the assignee agrees in writing to be bound by the provisions of this Purchase Agreement. The Holder may only assign this Agreement, as provided in the Note or otherwise, upon the prior written consent of the Company and by surrender thereof at the principal office of the Company, duly endorsed by, or accompanied by a written instrument of transfer duly executed by, the registered Holder of this Agreement or his attorney duly authorized in writing and the Note, as specified therein.

9.2 Notices. All notices, offers, acceptances, requests and other communications hereunder shall be in writing and shall be deemed to have been duly given if personally delivered, sent by confirmed fax transmission, electronic mail, or mailed by certified or registered mail to the Company and the Investors at the addresses set forth in their signature lines. If personally delivered or sent by confirmed fax transmission, or electronic mail, such notice shall be deemed received upon such delivery, if mailed by overnight courier such notice shall be deemed received one (1) day after such mailing, and if mailed by certified or registered mail, such notice shall be deemed received three (3) days after such mailing. Each party is responsible to update its own address in the manner prescribed above.

9.3 Entire Agreement. This Agreement and the other writings referred to herein or delivered pursuant hereto which form a part hereof contain the entire agreement among the parties with respect to the subject matter hereof and supersede all prior and contemporaneous arrangements or understandings, whether written or oral, with respect thereto.

9.4 Changes. Any term of this Agreement or the Notes may be amended and the observance of any term of this Agreement or the Notes may be waived (either generally or in a particular instance and either retroactively or prospectively), only with the written consent of the Company and the holders of a majority of the outstanding principal amount on all Notes; provided, however, that (i) no such waiver, amendment or modification shall reduce the aforesaid percentage of the principal amount of Notes the holders of which are required to consent to any waiver, amendment or modification, and (ii) no such amendment may increase the funding obligations of any Investors hereunder without such Investor's written consent thereto. Any amendment approved in the manner set forth above shall be binding on all holders of Notes. Neither this Agreement nor any provisions hereof may be waived, amended or modified orally, but only by a signed statement in writing.

9.5 Counterparts. This Agreement may be executed in any number of counterparts all of which together shall constitute one and the same instrument. The execution and delivery to the Company of a Signature Page in the form annexed to this Agreement by any Investor who shall previously have been furnished the final form of this Agreement (other than **Schedule I**) shall constitute the execution and delivery of this Agreement by such Investor. All exhibits, schedules and annexes attached hereto are part of this Agreement and are incorporated herein by reference. Electronic and fax signatures shall be deemed and accepted as originals.

9.6 Severability. Any provision of this Agreement that is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof, and any such prohibition or

unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction., and such unenforceable provision shall be interpreted to the fullest extent permitted by law.

9.7 Governing Law. This Agreement and any dispute arising under or related to this shall be governed by and construed in accordance with the laws of the State of Delaware, without giving effect to its conflict of laws provisions. Any dispute arising under or related to this Agreement shall be brought before a single arbitrator appointed by the American Arbitration Association ("**AAA**") under the auspices and commercial arbitration rules of the AAA to be held in the Commonwealth of Massachusetts.

9.8 Nouns and Pronouns. Whenever the context may require, the singular form of nouns and pronouns shall include the plural and vice versa. The section headings throughout this Agreement are for convenience and reference only, and the words contained therein shall in no way be held to explain, modify, amplify, or aid in the interpretation, construction or meaning of the provisions of this Agreement.

9.9 Currency. All dollar amounts in this Agreement and documents relating hereto, including the symbol "$", are expressed in United States dollars.

[*Signature Page to Follow*]

COUNTERPART SIGNATURE PAGE
TO
CONVERTIBLE NOTE PURCHASE AGREEMENT

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

ASCEND WELLNESS HOLDINGS, LLC

By: /s/ Abner Kurtin
Name: Abner Kurtin
Title: CEO & Founder
Address: 125 Cambridgepark Drive, Suite 301
Cambridge, MA 02140

Investors

See Subscription Agreement

ASCEND WELLNESS HOLDINGS, LLC

CONVERTIBLE NOTE PURCHASE AGREEMENT

SCHEDULE I
(To be completed by the Company)

Name and Address of Investor	Principal Amount of Note Purchased	Date of Note
[●]	$[●]	[●]

EXHIBIT A

Form of Note

THIS NOTE AND THE SECURITIES ISSUABLE UPON CONVERSION HEREOF HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "ACT"), OR ANY APPLICABLE STATE SECURITIES LAWS. THEY MAY NOT BE SOLD, OFFERED FOR SALE, PLEDGED OR HYPOTHECATED IN THE ABSENCE OF A REGISTRATION STATEMENT IN EFFECT WITH RESPECT TO THE SECURITIES UNDER SUCH ACT OR AN OPINION OF COUNSEL SATISFACTORY TO THE COMPANY THAT SUCH REGISTRATION IS NOT REQUIRED OR UNLESS SOLD PURSUANT TO RULE 144 OF SUCH ACT AND APPLICABLE STATE SECURITIES LAWS.

ASCEND WELLNESS HOLDINGS, LLC

CONVERTIBLE NOTE

$[_____] Boston, MA

_____,

Ascend Wellness Holdings, LLC, a Delaware limited liability company (the "**Company**"), for value received, hereby promises to pay to [_____], [an individual / a [entity type]] with a notice address at _____ (the "**Holder**"), the principal amount of [_____] dollars ($[_____]) (such amount, or such portion thereof which remains outstanding from time to time hereunder subsequently referred to as the "**Principal Amount**"), together with simple interest accruing at the rate of: (a) eight percent (8%) per annum from the date of this Note (defined below) through and including the twelve (12) month anniversary of this Note, (b) ten percent (10%) per annum following the twelve (12) month anniversary through and including the fifteen (15) month anniversary of this Note, and (c) thirteen percent (13%) per annum following the fifteen (15) month anniversary and thereafter; which interest will be "paid-in-kind" and added to the outstanding principal amount and be computed on the basis of a three hundred sixty five (365) day year. Notwithstanding anything to the contrary, in the event this Note is converted in accordance with the Purchase Agreement prior to the twelve (12) month anniversary of this Note, the interest payable hereunder will be calculated as of the twelve (12) month anniversary of this Note. Interest paid to non-US Persons may be subject to US withholding taxes.

This Note is one of a series of convertible notes (the "**Notes**") issued pursuant to that certain Convertible Note Purchase Agreement, dated as of June ____, 2019, (the "**Purchase Agreement**"). Capitalized terms used but not defined herein shall have the meanings ascribed to them in the Purchase Agreement. All the Notes are *pari passu* such that all Notes rank equally and no payments shall be made under this Note unless a pro rata payment is simultaneously made under all other Notes.

The following is a statement of the rights of the Holder of this Note and the conditions to which this Note is subject, and to which the Holder, by the acceptance of this Note, agrees:

1. Maturity Date. Subject to conversion as determined pursuant to the terms and conditions of the Purchase Agreement, a single payment of the then outstanding Principal Amount, plus accrued interest thereon determined in accordance with the first paragraph of this Note, shall be due and payable twenty-four (24) months from the date of this Note (the "**Maturity Date**"), unless earlier converted in accordance with the Purchase Agreement.

1.1 Default. Any of the following events shall constitute an "**Event of Default**", unless waived by holders of a majority of the aggregate principal amount outstanding on all Notes (the "**Majority Holders**"): (a) the Company's execution of a general assignment for the benefit of creditors; (b) the filing by or against the Company of a petition in bankruptcy or any petition for relief under the federal bankruptcy act or the continuation of such petition without dismissal for a period of ninety (90) days or more; (c) the appointment of a receiver or trustee to take possession of substantially all of the property or assets of the Company or (d) the Company's failure to pay any amounts owing hereunder when due.

1.2 Remedies Upon Default. Following an Event of Default:

(a) The Holder shall have all rights and remedies granted to it under this Note and the Purchase Agreement. All such rights and remedies and the exercise thereof shall be cumulative. No exercise of any such rights and remedies shall be deemed to be exclusive or constitute an election of remedies.

(b) Payment of the outstanding Principal Amount, together with all accrued and unpaid interest thereon determined in accordance with the first paragraph of this Note shall, at the option of the Majority Holders, become immediately due and payable without notice or demand.

No Event of Default may be waived or shall be deemed to have been waived except by an express notice delivered by the Majority Holders to the Company in accordance with **Section 7**, and any such waiver shall be applicable only to the specific Event(s) of Default expressly identified in such notice and shall not be deemed to apply to any other or subsequent Event of Default. The Majority Holders may grant or withhold any such waiver in the sole exercise of its discretion, and may condition such waiver upon the payment by the Company of a premium or the acceptance of other terms and conditions under this Note or the Purchase Agreement. No course of dealing by the Holder or the failure, forbearance or delay by the Majority Holders in exercising any of their rights or remedies under this Note or the Purchase Agreement shall operate as a waiver of any Event of Default or of any right of the Holder hereunder. Notwithstanding anything contained herein or the Purchase Agreement to the contrary, upon an Event of Default pursuant to Section 1.1(b), this Note shall be automatically due and payable without any action or notice by the Holder.

2. Treatment of Note. To the extent permitted by generally accepted accounting principles, the Company will treat, account and report this Note as debt and not equity for accounting purposes and with respect to any returns filed with federal, state or local tax authorities.

3. Prepayment. The Principal Amount and accrued interest will not be prepaid without the written consent of the Holder hereof.

4. Representations, Warranties and Acknowledgements of the Holder. By accepting this Note, the Holder hereby: (i) represents and warrants that it is an "accredited investor" within the meaning of Rule 501 of Regulation D under the Securities Act of 1933, as amended (the "**Securities Act**"); (ii) represents and warrants that conversion units (together, the "**Securities**") are being or will be acquired by it for the purpose of investment and not with a view to distribution; (iii) agrees that it will not sell or transfer any of the Securities without registration under applicable federal and state securities laws, or the availability of exemptions therefrom; (iv) acknowledges that the documents evidencing the Securities will each bear a restrictive legend stating that the Securities represented thereby have not been registered under applicable federal and state securities laws and referring to restrictions on their transferability and sale; (v) acknowledges that it currently has, and had immediately prior to its receipt of the offer of sale from the

Company, such knowledge and experience in financial and business matters that it is capable of evaluating the merits and risks of this investment; (vi) acknowledges that an investment in the Securities involves a high degree of risk; (vii) acknowledges that it is able to bear the economic risk of this investment; (viii) acknowledges that it had the opportunity to ask questions of, and receive answers from, management of the Company concerning the terms and conditions of this investment; and (ix) acknowledges that it has received such information as it deems necessary to enable it to make its investment decision.

5. No Membership Rights. Nothing contained in this Note shall be construed as conferring upon the Holder the right to vote or to consent or to receive notice as a member in respect of meeting of members for the election of board of managers of the Company or any other matters or any rights whatsoever as a member of the Company; and no dividends shall be payable or accrued in respect of this Note or the interest represented hereby or the Securities obtainable hereunder upon conversion until, and only to the extent that, this Note shall have been so converted in accordance with the terms of the Purchase Agreement.

6. Recourse. The Holder agrees that no officers, managers or members of the Company shall have any personal liability with respect to the obligations of the Company under this Note or any agreements related to this Note.

7. Notice. Any notice, request or other communication required or permitted hereunder shall be in writing and shall be delivered in accordance with **Section 9.2** of the Purchase Agreement.

8. Waiver and Amendment. Any provision of this Note may be amended, waived or modified only upon the written consent of the Company and the Majority Holders.

9. Restrictions on Transfer of this Note. No transfers of the Note, or the Securities, or any portion hereof or thereof, may be made by the Holder without the prior written consent of the Company, which consent may be withheld in the Company's sole discretion. Notwithstanding the foregoing (i) a Holder may transfer this Note to any of its "affiliates" (as defined in Rule 405 promulgated under the Securities Act) without the consent of the Company and (ii) following the occurrence and during the continuance of an Event of Default, the Holder may transfer this Note to any person without the consent of the Company, in each case so long as the transferee is an Accredited Investor. The rights and obligations of the Company and the Holder shall be binding upon and benefit their respective successors, permitted assigns, heirs, administrators and permitted transferees.

10. Payment. Any cash payments of the Principal Amount will be made by check or wire transfer in immediately available United States funds sent to the Holder at the address or to the account furnished to the Company for that purpose.

11. Governing Law; Jurisdiction. The provisions of **Section 9.7** of the Purchase Agreement shall apply to this Note.

12. Headings; References. All headings used herein are used for convenience only and shall not be used to construe or interpret this Note. Except where otherwise indicated, all references herein to Sections refer to Sections hereof. All words used in this Note will be construed to be of such gender or number as the circumstances require.

[*Signature Page to Follow*]

IN WITNESS WHEREOF, the Company has executed this Note as an instrument under seal as of the date and year first written above.

ASCEND WELLNESS HOLDINGS, LLC

By: _____

Name: Abner Kurtin

Its: CEO & Founder

EXHIBIT B
RISK FACTORS

Legal and Political Risks

Cannabis remains illegal under federal law.

Cannabis is a Schedule-I controlled substance and is illegal under federal law. It remains illegal under United States federal law to grow, cultivate, sell or possess cannabis for any purpose or to assist or conspire with those who do so. Additionally, 21 U.S.C. 856 makes it illegal to "knowingly open, lease, rent, use, or maintain any place, whether permanently or temporarily, for the purpose of manufacturing, distributing, or using any controlled substance." Even in those states in which the use of cannabis has been authorized, its use remains a violation of federal law. Any person that is connected to the cannabis industry, including, but not limited to, a Investor and other investors in the Company, may be at risk of federal criminal prosecution and civil liability. Any investments could also be subject to civil or criminal forfeiture and a total loss. Since federal law criminalizing the use of cannabis is not preempted by state laws that legalize its use, strict enforcement of federal law regarding cannabis would likely result in the Company's inability to proceed with its business plan and a possible total loss of its investment. Additionally, pursuant to 26 U.S. Code § 280E, any business engaged in the trafficking of a controlled substance may be prohibited from making certain deductions or obtaining certain tax credits.

Some courts have determined that contracts relating to state legal cultivation and sale of cannabis are unenforceable on the grounds that they are illegal under federal law and therefore void as a matter of public policy. This could substantially impact the rights of parties making or defending claims involving the Company and any lender or member of the Company.

Due to the federal illegality of cannabis and the charged political climate surrounding the cannabis industries of various states, political risks are inherent in the cannabis industry. It remains to be seen whether policy changes at the federal level will have a chilling effect on the cannabis industry.

Rescission of the "Cole Memo."

On January 4, 2018, Attorney General Sessions rescinded the previously issued memoranda from the Justice Department which de-prioritized the enforcement of federal law against marijuana users and businesses who comply with state cannabis laws, adding uncertainty to the question of how the Federal government will now choose to enforce federal laws regarding cannabis. Attorney General Sessions issued a memorandum to all United States Attorneys in which Attorney General Sessions affirmatively rescinded the previous guidance as to cannabis enforcement, calling such guidance "unnecessary."

Attorney General Sessions' one-page memorandum was vague in nature, stating that federal prosecutors should use established principals in setting their law enforcement priorities. Under previous administrations, the U.S. Department of Justice indicated that those users and suppliers of medical cannabis who complied with state laws, which required compliance with certain criteria, would not be prosecuted. As a result, it is now unclear if the Justice Department will seek to enforce the Controlled Substances Act against those users and suppliers who comply with state cannabis laws. If such enforcement occurs, the federal government may raid the Company, seize all of its equipment and inventory, and arrest all of its officers, managers, and Members.

The FinCEN Memo could be rescinded.

Despite Attorney General Sessions' rescission of the Cole Memorandum, the Department of the Treasury, Financial Crimes Enforcement Network has not rescinded the "**FinCEN Memo**" dated February 14, 2014, which de-prioritizes enforcement of the Bank Secrecy Act against financial institutions and cannabis related businesses which utilize them. This memo appears to be a standalone document, and is presumptively still in effect.

At any time, the Department of the Treasury, Financial Crimes Enforcement Network could elect to rescind the FinCEN Memo. This would make it more difficult for the Company to access the U.S. banking system and conduct financial transactions, which would have a material adverse effect on the Company Business (defined below). Enforcement of the Bank Secrecy Act against the Company would also be made more likely by the rescission of the FinCEN Memo. This would subject the Company's officers, managers and Members to potential criminal prosecution, and would have a material adverse effect on the Company Business.

Even with the FinCEN Memo in place, prosecution of the Company for violations of the Bank Secrecy Act remains possible, as the FinCEN Memo is only prosecutorial guidance and does not have the force of law.

The 2015 Appropriations Rider must be reauthorized every year to provide any protections.

In 2014, Congress passed a spending bill (the "**2015 Appropriations Bill**") containing a provision (the "**Appropriations Rider**") blocking federal funds and resources allocated under the 2015 Appropriations Bill from being used to "prevent such States from implementing their own State [medical marijuana] law". The Appropriations Rider seemed to have prohibited the federal government from interfering with the ability of states to administer their medical cannabis laws, although it did not codify federal protections for medical cannabis patients and producers. Moreover, despite the Appropriations Rider, the Justice Department maintains that it can still prosecute violations of the federal cannabis ban and continue cases already in the courts.

Additionally, the Appropriations Rider must be re-enacted every year. While it was continued in 2016, 2017 and 2018 (until December 21, 2018), continued re-authorization of the Appropriations Rider cannot be guaranteed. If Congress should pass a FY 2019 budget rather than an extension of the 2018 budget, it would need to re-add the Appropriations Rider at such time, and there can be no assurance that the Appropriations Rider would be renewed at such

time. As of December 21, 2018, Congress has failed either to pass a FY 2019 budget or an extension of the 2018 budget in the form of a "continuing resolution," resulting in a government shutdown, and the Appropriations Rider is no longer in force. While it is unclear if the Appropriations Rider will be re-enacted once Congress passes a FY 2019 budget, proposed legislative packages have included the Appropriations Rider that, if passed, would fund the federal government until September 2019.

The Company's proposed business is dependent on laws pertaining to the cannabis industry, and further legislative development is not guaranteed.

The Company's business plan involves the cultivation, distribution, manufacture, storage, transportation and/or sale of medical and adult use cannabis products in compliance with applicable state law, but in violation of federal law (generally referred to herein as the "**Company Business**"). Continued development of the cannabis industry is dependent upon continued legislative and regulatory authorization of cannabis at the state level. Any number of factors could slow or halt progress in this area. Further progress is not assured. While there may be ample public support for legislative action, numerous factors impact the legislative and regulatory process. Any one of these factors could slow or halt business operations relating to cannabis or the current tolerance for the use of cannabis by consumers, which would negatively impact the Company Business.

The cannabis industry faces strong opposition.

Many believe that several large, well-funded businesses may have a strong economic opposition to the cannabis industry. The Company believes that the pharmaceutical industry does not want to cede control of any product that could generate significant revenue. For example, medical cannabis will likely adversely impact the existing market for the current "cannabis pill" sold by mainstream pharmaceutical companies. Further, the medical cannabis industry could face a material threat from the pharmaceutical industry should cannabis displace other drugs or encroach upon the pharmaceutical industry's products. The pharmaceutical industry is well funded with a strong and experienced lobby that eclipses that of the medical and retail cannabis industries. Any inroads the pharmaceutical industry made in halting or impeding the cannabis industry could have a detrimental impact on the Company Business.

The legality of cannabis could be reversed in one or more states of operation.

The voters or legislatures of states in which cannabis has been legalized could potentially repeal applicable laws which permit both the operation of medical and retail cannabis businesses. These actions might force the Company to cease the Company Business.

Enforceability of Contracts.

It is a fundamental principle of law that a contract will not be enforced if it involves a violation of law or public policy. Notwithstanding that cannabis related businesses operate pursuant to the laws of states in which such activity is legal under state law, judges have on a number of occasions refused to enforce contracts for the repayment of money when the loan was used in

connection with activities that violate federal law, even if there is no violation of state law. There remains doubt and uncertainty that the Company will be able to legally enforce contracts it enters into if necessary. As the Company cannot be assured that it will have a remedy for breach of contract, the Company and its Members must bear the risk of the uncertainty in the law. If borrowers fail or refuse to repay loans and the Company is unable to legally enforce its contracts, the Company may suffer substantial losses for which it has no legal remedy.

Risk of Criminal Prosecutions for Money Laundering.

One possible repercussion for Members and other investors in the Company is a prosecution for violation of federal money laundering statutes, specifically U.S.C.A. § 1956 and § 1957. Because these statutes criminalize certain transactions involving the proceeds of activity which is itself criminal, it is possible that investors in the Company could be subject to prosecution for investing in, obtaining dividends from, or otherwise transacting with the Company. While there have been no recent prosecutions of investors in cannabis-related businesses for violation of either § 1956 or § 1957, this could change along with federal enforcement priorities.

Risk of civil asset forfeiture.

Because the cannabis industry remains illegal under federal law, any property owned by participants in the cannabis industry which are either used in the course of conducting such business, or are the proceeds of such business, could be subject to seizure by law enforcement and subsequent civil asset forfeiture. Even if the owners of the property were never charged with a crime, the property in question could still be seized and subject to an administrative proceeding by which, with minimal due process, it could be subject to forfeiture.

Risk of RICO prosecution or civil liability.

The Racketeer Influenced Corrupt Organizations Act ("**RICO**") criminalizes the use of any profits from certain defined "racketeering" activities in interstate commerce. While intended to provide an additional cause of action against organized crime, due to the fact that cannabis is illegal under U.S. federal law, the production and sale of cannabis qualifies cannabis related businesses as "racketeering" as defined by RICO. As such, all officers, managers and owners in a cannabis related business could be subject to criminal prosecution under RICO, which carries substantial criminal penalties.

RICO can create civil liability as well: persons harmed in their business or property by actions which would constitute racketeering under RICO often have a civil cause of action against such "racketeers," and can claim triple their amount of estimated damages in attendant court proceedings. The Company as well as its officers, managers and owners could all be subject to civil claims under RICO.

Legal Uncertainty.

Laws and regulations affecting the medical and retail cannabis industry are constantly changing, which could detrimentally affect the Company's proposed operations. Local, state and federal

cannabis laws and regulations are broad in scope and subject to evolving interpretations, which could require the Company to incur substantial costs associated with compliance or alter its business plan. In addition, violations of these laws, or allegations of such violations, could disrupt the Company Business and result in a material adverse effect on its operations. In addition, it is possible that regulations may be enacted in the future that will be directly applicable to the Company's proposed business, including, but not limited to, regulations or laws impacting the amount of production that the Company is authorized to produce. The Company cannot predict the nature of any future laws, regulations, interpretations or applications, nor can the Company determine what effect additional governmental regulations or administrative policies and procedures, if promulgated, could have on the Company Business.

Business Risks

Economic Environment.

The Company's operations could be affected by the economic context should the unemployment level, interest rates or inflation reach levels that influence consumer trends and consequently, impact the Company's sales and profitability.

As well, general demand for banking services and alternative banking or financial services cannot be predicted and future prospects of such areas might be different from those predicted by the Company's management.

The Company Business is dependent on the acquisition and retention of various licenses.

The Company Business is dependent on obtaining various licenses from various municipalities and the state licensing agencies. There can be no assurance that any or all licenses necessary to operate the Company Business will be obtained. If a licensing body were to determine the Company had violated the applicable rules and regulations, there is a risk the licenses granted could be revoked, which would prevent the operation of the Company Business. Further, there is no guarantee the Company will be able to obtain any additional licenses necessary to expand the Company Business.

The Company's management team or other owners could be disqualified from ownership in the Company.

The Company Business is in a highly regulated industry in which many states have enacted extensive rules for ownership of a participant company. The Company's Managers or other owners (which could include the Members of the Company) could become disqualified from having an ownership stake in the Company under relevant laws and regulations of applicable state and/or local regulators, if the applicable Manager or owner is convicted of a certain type of felony or fails to meet the requirements for owning equity in a company like the Company.

The Company may have difficulty accessing the service of banks and bankruptcy protections, which may make it difficult for them to operate or unwind.

Since the use of cannabis is illegal under federal law, there is a compelling argument that banks cannot lawfully accept for deposit funds from businesses involved with cannabis. Consequently, businesses involved in the cannabis industry often have trouble finding a bank willing to accept their business. The inability to open bank accounts may make it difficult for the Company to operate and the reliance on cash can result in a heightened risk of theft. Additionally, some courts have denied cannabis businesses bankruptcy protection, thus, making it very difficult for lenders to recoup their investments.

The Company will not have full access to federal intellectual property protections.

The United States Patent and Trademark Office does not allow trademarks directly related to cannabis and cannabis products to be registered due to the illegal nature of the business and products under federal law. While patent protection for inventions related to cannabis and cannabis products is available, there are substantial difficulties faced in the patent process by cannabis related businesses. There can be no assurances that any proprietary business processes, patents, copyrights or trademarks that may be issued to a cannabis business will offer any degree of protection.

Insurance Risks.

In the United States, many cannabis related companies are subject to a lack of adequate insurance coverage including, without limitation, general coverage for cultivating cannabis and traditional commercial insurance covering dispensary transit. In addition, many insurance companies may deny claims for any loss relating to cannabis for reasons such as it is illegal under federal law, a contract for an illegal item is unenforceable or there can be no insurable interest in an illegal item.

Product Liability in Cannabis-Related Companies.

Many cannabis related companies are subject to strict product liability laws where a cannabis related retailer who sells a defective product to a consumer is subject to liability for any harm that befalls that consumer due to the defect. For example, a retailer who sells cannabis infused products could be held liable if that product was tainted in the manufacturing process or inadequately labeled and a consumer subsequently fell ill, even if the retailer had nothing to do with the manufacturing process. Any suit against any cannabis related business could adversely affect the Company and cause substantial losses for the Company. This area of law is unsettled and there is very little statutory or case law regarding cannabis and products liability.

Risks Associated with Young Industries.

The cannabis industries in those states which have legalized such activity are not yet well- developed, and many aspects of these industries' development and evolution cannot be accurately predicted. While the Company has attempted to identify many risks specific to the cannabis and hemp industries, prospective investors should carefully consider that there are probably other risks that the Company has not foreseen or not mentioned in this document, which may cause prospective Members to lose some, or all, of such prospective Member's

investment. Given the limited history, it is difficult to predict whether this market will continue to grow or whether it can be maintained. For example, as a result of the Company's limited operating history in a new industry, it is difficult to discern meaningful or established trends with respect to the purchase activity of the Company's customers.

The Company expects that the market will evolve in ways which may be difficult to predict. For example, the Company anticipates that over time it will reach a point in most markets where the Company has achieved a market penetration such that investments in new customer acquisition are less productive and the continued growth of the Company's revenue will require more focus on increasing the rate at which the Company's existing customers purchase products. In the event of these or any other changes to the market, the Company's continued success will depend on the Company's ability to successfully adjust the Company's strategy to meet the changing market dynamics. If the Company is unable to successfully adapt to changes in the Company's markets, the Company's business, financial condition and results of operations could suffer a material negative impact.

Possible Shrinkage or Lack of Growth in the Industry.

If no additional states, U.S. territories or countries allow the legal use of cannabis, or if one or more jurisdictions which currently allow it were to reverse position, the Company may not be able to grow, or the market for the Company's products and services may decline. There can be no assurance that the number of jurisdictions which allow the use of cannabis will grow, and if it does not, there can be no assurance that the existing jurisdictions will not reverse position and disallow such use. If either of these events were to occur, not only would the growth of the Company's business be materially impacted in an adverse manner, but the Company may experience declining revenue as the market for the Company's products and services declines.

Product Risks.

The Company's product line is in a new and unique product category and there can be no guarantee the product will be appealing to consumers, or will be a success commercially. As with any product, there is the possibility that a claim could be brought against the Company if any consumer has a negative reaction to the product.

Illiquid Investment, Restrictions on Transfer.

The Units are subject to legal and other restrictions on transfer and are investments for which no liquid market exists. As a consequence, a Member may not be able to sell his, her or its Units if a Member desired to do so, or to realize what he, she or it perceives to be its fair value in the event of a sale or liquidation. There is no market for the Units and it should not be assumed that a public market will develop. The Units may not be resold, transferred or otherwise disposed of by any holder except in compliance with applicable securities laws and the transfer restrictions contained in the Subscription Agreement and the Operating Agreement. Accordingly, Investors in this offering may not be able to liquidate their investment in the Company, or pledge the investment as collateral, and should consider their investment to be long-term.

Indemnification.

The Operating Agreement provides that under certain circumstances the Managers and officers of the Company and/or others may be indemnified by the Company for any liabilities or losses arising out of activities in connection with the Company. Indemnification under such provision could reduce or deplete the assets of the Company.

Member May Lose the Right to Hold the Units.

Member may encounter a life event (such as a criminal conviction) that would disqualify Member from owning equity in a licensed cannabis business, and thereby trigger the relevant provisions of the Operating Agreement. Additionally, aside from as provided for in the Subscription Agreement and the Operating Agreement, events, including a change in control of the Company, a liquidation or an event of insolvency, could occur prior to the time that a Member is able to receive any liquidation benefit from a sale of the Company or a sale of Units.

Unitholders May Owe Taxes in Excess of Cash Distributions from the Company.

Notwithstanding applicable provisions in the Operating Agreement, Members may become subject to income tax liability for Company income in excess of the cash they actually receive from the Company. For example, if the Company borrows money, a unitholder's share of Company revenues used to pay principal on the loan will be included in its taxable income from the Company and will not be deductible; income from operations may be accrued by the Company in one tax year, although payment is not actually received until the following year; taxable income or gain may be allocated to a member of the Company if there is a deficit in its capital account even though the unitholder does not receive a corresponding distribution of Company revenues; and Company revenues may be expended for non-deductible costs or retained to establish a reserve for future estimated costs.

Units Not Registered Under the Securities Act or State Blue Sky Laws.

The Units will not be registered for public sale or resale under the Securities Act or the securities laws of any state, in reliance upon exemptions which depend in part upon the investment intent of the Investors. There is no present plan to register the Units in the future. Accordingly, the Units must be acquired for investment purposes only and not with a view to resale or other distribution. Such Units will only be offered and sold to such persons who are "accredited investors" as defined in Rule 501 of Regulation D promulgated under the Securities Act. Such Units will be offered without registration in reliance upon the Securities Act exemption for transactions not involving a public offering. Investors will be required to make certain representations to the Company, including that they are acquiring interests in the Company for their own account, for investment purposes only and not with a view to their distribution.

Risks Associated with Investing in Securities in General.

Investment in the Company's Units involves a high degree of risk. All securities investments risk the loss of all capital. The Company makes no guarantee or representation that the

Company will achieve its business objectives or that a Member will receive a return of his, her or its capital. Making an investment in the Company is speculative. Prospective Members should carefully consider, among other factors, the matters described in this section, each of which could have a material adverse effect on the value of the Units offered hereby. As a result of these factors, as well as other risks set forth elsewhere in this document, there can be no assurance that the Company will be able to implement the business plan or that the Units will be of value in the future. A prospective Member should only invest in the Units as part of an overall investment strategy and only if the prospective Member is able to withstand a total loss of his, her or its investment.

Absence of Operating History.

The Company is a newly formed venture. The Company has extremely limited operating history on which to base an evaluation of its business and prospects and its success, if any, will be entirely dependent on its management and employees. The past performance, existing relationships and rapid growth of the Company cannot be relied upon as indicia of future performance or success of the Company. The Company faces risks in developing its products and eventually bringing them to market. The Company also faces risks that it will lose some or all of the Company's market share in existing businesses to competition, or the Company risks that its business model becomes obsolete. Many of the Company's business projects are not yet developed, and can be considered subject to risk associated with development-level businesses. The Company operates in a rapidly evolving market. Accordingly, the Company's future prospects are difficult to evaluate, increasing the risk that the Company may not be successful. The Company will encounter risks and difficulties as a company operating in a rapidly evolving market and may not be able to successfully address these risks and difficulties, which could materially harm its business and operating results. The risks detailed herein are material risks faced by the Company. If any of these risks occur, the Company's business, its ability to receive revenues, its operating results and its financial condition could be seriously harmed.

Need for Additional Financing.

The Company anticipates that it will be able to raise sufficient capital to fund its anticipated development and operation through various sources. However, the estimated budget is based on certain assumptions, including assumptions related to the performance of the business, and there can be no assurance that unanticipated unbudgeted costs will not be incurred or that the business will not perform as expected. Furthermore, the Board of Managers has the authority to increase the budget if the Board of Managers deems it advisable to enhance the viability of the venture. Future events, including problems, delays, expenses and difficulties frequently encountered in the industry, as well as changes in economic, regulatory or competitive conditions, may lead to cost increases that could make it necessary or advisable for the Company to seek additional financing. There can be no assurance that the Company would be able to obtain any necessary additional financing on terms acceptable to the Company, if at all. Also, additional financings may result in dilution of equity stakes in the Company.

Ability to Obtain Requisite Permits.

Prior to beginning operations, the Company's subsidiaries must obtain certain operating, building and safety, and other necessary permits. The Company's subsidiaries are in the process of obtaining such permits as required by law. The Company cannot guarantee that approval of such permits will be completed in the time frame required for beginning operations as planned. While the Company believes there should be no impediments to granting any necessary permits and licenses, or obtaining any consents or approvals, no assurances can be made that they will be obtained.

Reliance on Management; Potential Disqualification of Managers.

The Company's Board of Managers has discretionary authority to structure, manage and monitor the Company's activities, as well as to commit the Company assets, and, in doing so, has no responsibility to consult with any member. The continued availability of the services of the Company's Managers is critical to the Company's success, and the Company has no key insurance on such Managers. The Company's Managers could become disqualified from having an ownership stake in the Company under the cannabis agencies' interpretation of the relevant state laws and regulations if any Manager is convicted of a certain type of felony or fails to meet the residency requirements for owning equity in a company like the Company. The loss of services of any key manager, officer or employee or consultant may have a material adverse effect on the Company.

Manager Conflict of Interest.

The Managers and their principals and employees are not required to render exclusive services in connection with the Company. Consequently, the Managers or one or more of their principals or employees may render services in connection with other business projects, including other projects in the cannabis industry, during any and or all phases of operations. Furthermore, there may be conflicts of interest between a Manager on the one hand, and the Company and its other Members on the other. Such conflicts may include cash distribution policies, working capital reserve policies, and the opening of other enterprises in the cannabis industry by the Managers.

Dependence on Successful Recruiting Efforts.

The Company's long-term success is heavily dependent upon its ability to recruit and train qualified personnel, including key management, industry talent, and technical and marketing personnel. Competition for highly qualified professional, technical, talent, business development, and management and marketing personnel is intense. There can be no assurance that the Company will be successful in attracting, training, or retaining the key personnel required to execute its business plan. If the Company is unsuccessful in its recruiting efforts, such failure could have a material adverse effect on its business, results of operations, financial condition and forecasted financial results.

Risks Associated with Valuation.

The assumption of Company value underlying this offer may not be representative of fair market value. There is no market for the Company's Units. Likewise, no independent appraisal or

valuation has been performed on the Company. Consequently, the Company has arbitrarily determined the value of the Company based on several factors: estimates of the Company's business potential and earnings prospects; the present state of the Company's development; assessment of the Company's management; the Company's capital needs; and consideration of these factors in relation to the market evaluations of comparable companies, the current conditions of the Company's industry, and the economy as a whole. There can be no assurance that the valuation is representative of fair market value.

Fluctuation of Operating Results.

The Company and its management expect that the Company will experience substantial variations in net sales and operating results from quarter to quarter due to customer acceptance of its products. If customers do not accept the Company's products, its sales and revenues will decline, resulting in a reduction in its operating income. Customer interest for the Company's products could also be impacted by the timing of the Company's introduction of new products. If competitors introduce new products around the same time that the Company issues new products, and if such competing products are superior to the Company's, customers' desire for the Company's products could decrease, resulting in a decrease in Company sales and revenue. The Company may also lose market share to better-funded, aggressive competitors, particularly if large pharmaceutical companies or alcohol or tobacco companies decide to compete against the Company. Increased competition is likely to result in lower sales volumes, price reductions and reduced revenue and gross margins.

Risks Inherent in an Agricultural Business.

Adult-use and medical cannabis are agricultural products. There are risks inherent in the agricultural business, such as insects, plant diseases and similar agricultural risks. Although the products are usually grown indoors under climate-controlled conditions, with conditions monitored, there can be no assurance that natural elements will not have a material adverse effect on the production of the Company's subsidiaries' products.

Vulnerability to Rising Energy Costs.

Adult-use and medical cannabis growing operations consume considerable energy, making the Company potentially vulnerable to rising energy costs. Rising or volatile energy costs may have a material adverse effect as to the business, results of operations, financial condition or prospects of the Company.

Product Recalls.

Manufacturers and distributors of products are sometimes subject to the recall or return of their products for a variety of reasons, including product defects, such as contamination, unintended harmful side effects or interactions with other substances, packaging safety and inadequate or inaccurate labeling disclosure. Such recalls cause unexpected expenses of the recall and any legal proceedings that might arise in connection with the recall. This can cause loss of a significant amount of sales. In addition, a product recall may require significant management attention.

Although the Company's subsidiaries will have detailed procedures in place for testing its products, there can be no assurance that any quality, potency or contamination problems will be detected in time to avoid unforeseen product recalls, regulatory action or lawsuits. Additionally, if one of the Company's subsidiaries' brands or products were subject to recall, the image of that brand and the Company could be harmed. Additionally, product recalls can lead to increased scrutiny of operations by applicable regulatory agencies, requiring further management attention and potential legal fees and other expenses.

Results of Future Clinical Research.

Research in Canada, the U.S. and internationally regarding the medical benefits, viability, safety, efficacy, dosing and social acceptance of cannabis or isolated cannabinoids remains in early stages. There have been relatively few clinical trials on the benefits of cannabis or isolated cannabinoids (such as CBD and THC). Future research and clinical trials may prove such statements to be incorrect, or could raise concerns regarding, and perceptions relating to, cannabis. Given these risks, uncertainties and assumptions, prospective Investors should not place undue reliance on such articles and reports. Future research studies and clinical trials may reach negative conclusions regarding the medical benefits, viability, safety, efficacy, dosing, social acceptance or other facts and perceptions related to cannabis, which could have a material adverse effect on the demand for the Company's products with the potential to lead to a material adverse effect on the Company's business, financial condition, results of operations or prospects.

Reliance on Key Inputs.

The cannabis business is dependent on a number of key inputs and their related costs including raw materials and supplies related to growing operations, as well as electricity, water and other local utilities. Any significant interruption or negative change in the availability or economics of the supply chain for key inputs could materially impact the business, financial condition, results of operations or prospects of the Company. Some of these inputs may only be available from a single supplier or a limited group of suppliers. If a sole source supplier was to go out of business, the Company might be unable to find a replacement for such source in a timely manner or at all. If a sole source supplier were to be acquired by a competitor, that competitor may elect not to sell to the Company in the future. Any inability to secure required supplies and services or to do so on appropriate terms could have a materially adverse impact on the business, financial condition, results of operations or prospects of the Company.

Competition from Synthetic Production and Technological Advances.

The pharmaceutical industry may attempt to dominate the cannabis industry through the development and distribution of synthetic products which emulate the effects and treatment of organic cannabis. If they are successful, the widespread popularity of such synthetic products could change the demand, volume and profitability of the cannabis industry. This could adversely affect the ability of the Company to secure long-term profitability and success through the sustainable and profitable operation of its business. There may be unknown additional regulatory fees and taxes that may be assessed in the future.

Constraints on Marketing Products.

The development of the Company's business and operating results may be hindered by applicable restrictions on sales and marketing activities imposed by government regulatory bodies. The regulatory environment in the United States limits companies' abilities to compete for market share in a manner similar to other industries. If the Company is unable to effectively market its products and compete for market share, or if the costs of compliance with government legislation and regulation cannot be absorbed through increased selling prices for its products, the Company's sales and results of operations could be adversely affected.

Fraudulent Or Illegal Activity by Employees, Contractors And Consultants.

The Company is exposed to the risk that its employees, independent contractors and consultants may engage in fraudulent or other illegal activity. Misconduct by these parties could include intentional, reckless and/or negligent conduct or disclosure of unauthorized activities to the Company that violates: (i) government regulations; (ii) manufacturing standards; (iii) federal and provincial healthcare fraud and abuse laws and regulations; or (iv) laws that require the true, complete and accurate reporting of financial information or data. It may not always be possible for the Company to identify and deter misconduct by its employees and other third parties, and the precautions taken by the Company to detect and prevent this activity may not be effective in controlling unknown or unmanaged risks or losses or in protecting the Company from governmental investigations or other actions or lawsuits stemming from a failure to be in compliance with such laws or regulations. If any such actions are instituted against Company, and it is not successful in defending itself or asserting its rights, those actions could have a significant impact on the Company's business, including the imposition of civil, criminal and administrative penalties, damages, monetary fines, contractual damages, reputational harm, diminished profits and future earnings, and curtailment of the Company's operations, any of which could have a material adverse effect on the Company's business, financial condition, results of operations or prospects.

Information Technology Systems and Cyber-Attacks.

The Company's operations depend, in part, on how well it and its suppliers protect networks, equipment, and information technology systems and software against damage from a number of threats, including, but not limited to, cable cuts, damage to physical plants, natural disasters, intentional damage and destruction, fire, power loss, hacking, computer viruses, vandalism and theft. The Company's operations also depend on the timely maintenance, upgrade and replacement of networks, equipment, IT systems and software, as well as pre-emptive expenses to mitigate the risks of failures. Any of these and other events could result in information system failures, delays and/or increase in capital expenses. The failure of information systems or a component of information systems could, depending on the nature of any such failure, adversely impact the Company's reputation and results of operations. The Company's risk and exposure to these matters cannot be fully mitigated because of, among other things, the evolving nature of these threats. As a result, cyber security and the continued development and enhancement of controls, processes and practices designed to protect systems, computers, software, data and

networks from attack, damage or unauthorized access is a priority. As cyber threats continue to evolve, the Company may be required to expend additional resources to continue to modify or enhance protective measures or to investigate and remediate any security vulnerabilities.

Security Breaches.

Given the nature of the Company's products and its deficit of legal availability, as well as the concentration of inventory in its facilities, despite meeting or exceeding all legislative security requirements, there remains a risk of shrinkage as well as theft. A security breach at one of the Company's facilities could expose the Company to additional liability and to potentially costly litigation, increase expenses relating to the resolution and future prevention of these breaches and may deter potential patients from choosing the Company's products.

In addition, the Company collects and stores personal information about its patients and is responsible for protecting that information from privacy breaches. A privacy breach may occur through procedural or process failure, information technology malfunction, or deliberate unauthorized intrusions. Theft of data for competitive purposes, particularly patient lists and preferences, is an ongoing risk whether perpetrated via employee collusion or negligence or through deliberate cyber-attack. Any such theft or privacy breach would have a material adverse effect on the Company's business, financial condition and results of operations.

THE FOREGOING LIST OF RISK FACTORS DOES NOT PURPORT TO BE A COMPLETE ENUMERATION OR EXPLANATION OF THE RISKS INVOLVED IN AN INVESTMENT IN THE COMPANY. EACH INVESTOR SHOULD READ THIS AGREEMENT IN ITS ENTIRETY AND CONSULT WITH THEIR OWN ADVISORS BEFORE DECIDING WHETHER TO INVEST IN THE COMPANY. IN ADDITION, AS THE COMPANY'S INVESTMENT PROGRAM DEVELOPS AND CHANGES OVER TIME, AN INVESTMENT IN THE COMPANY MAY BE SUBJECT TO ADDITIONAL AND DIFFERENT RISK FACTORS.

EXHIBIT C

TERM SHEET

Issuer:	Ascend Wellness Holdings, LLC (the "**Company**").
Issue:	Unsecured convertible notes of the Company (the "**Convertible Notes**"). Each Convertible Note will be convertible into equity securities of the Company, as described in greater detail below.
Issue Size:	Up to US$35,000,000 principal amount of Convertible Notes or such greater amount as may be determined by the Company (the "**Offering**").
Coupon:	Interest on the Convertible Notes will accrue commencing on the Closing Date of the Note at a rate of: (a) eight percent (8%) per annum from the Closing Date through and including the twelve (12) month anniversary of the Closing Date, (b) ten percent (10%) per annum following the twelve (12) month anniversary of the Closing Date through and including the fifteen (15) month anniversary of the Closing Date, and (c) thirteen percent (13%) per annum following the fifteen (15) month anniversary of the Closing Date and thereafter; which interest will be "paid-in-kind" and added to the outstanding principal amount and be computed on the basis of a three hundred sixty five (365) day year. Notwithstanding anything to the contrary, in the event the Convertible Notes are converted prior to the twelve (12) month anniversary of the Closing Date, the interest payable will be calculated as of the twelve (12) month anniversary of the Closing Date. Interest paid to non-US holders may be subject to US withholding taxes.
Maturity Date:	The term of the Convertible Notes will be for a period of 24 months from the Closing Date. Provided that no Go-Public Transaction (as defined herein) has occurred, on the Maturity Date, the principal aggregate amount of the Convertible Notes and the accrued and unpaid interest thereon will be payable in cash. Notwithstanding the foregoing, a holder of the Convertible Notes may elect to convert its principal amount of the Convertible Notes and the accrued and unpaid interest thereon into shares of common stock of the Company ("**Shares**"), at a price per Share reflecting a pre-money valuation of the Company of US$295,900,000 (the "**Maturity Conversion Price**").
Minimum Investment:	US$100,000
Use of Proceeds:	The net proceeds from the Offering will be used for working capital requirements and other general corporate purposes.

Conversion: The Convertible Notes and the accrued and unpaid interest thereon will automatically be converted into equity securities of the Company, which equity securities will automatically be exchanged for the same type of security (the "**Go- Public Security**") issued in connection with a Go-Public Transaction (as defined below), less applicable withholding taxes, with such numbers of equity securities of the Company issued on the basis of a price equal to the lesser of: (a) (i) in the event the Go-Public Transaction occurs on or before 12 months from the Closing Date, a 20% discount to the issue price of the Go-Public Securities; (ii) in the event the Go-Public Transaction occurs after 12 months from the Closing Date, but before the Maturity Date, a 25% discount to the issue price of the Go- Public Securities; and (b) a price per security equal to the Maturity Conversion Price.

Go-Public Transaction: A "**Go-Public Transaction**" shall be defined as the closing of: (i) a transaction resulting in the business or assets of the Company being listed (directly or indirectly) on the Canadian Securities Exchange or any other recognized securities exchange (the "**Stock Exchange**"), including but not limited to an initial public offering, plan of arrangement, amalgamation, reverse take-over or other business combination pursuant to which the securities of the Company (or any resulting issuer or parent thereof) are listed on the Stock Exchange; and (ii) a concurrent financing for aggregate gross proceeds of greater than or equal to US$20,000,000.

Convertible Note holders will not have the right on a Go-Public Transaction to be repaid the principal amount of the Convertible Notes and the accrued and unpaid interest thereon in cash by the Company. Instead, the Convertible Notes will automatically convert into equity securities of the Company, which equity securities will automatically be exchanged for Go-Public Securities.

Change of Control: Other than in connection with the Go-Public Transaction, within 30 days following the consummation of: (i) any transaction (whether by purchase, merger or otherwise) whereby a person or persons acting jointly or in concert directly or indirectly acquires the right to cast, at a general meeting of shareholders of the Company, more than 50% of the votes that may be ordinarily cast at a general meeting; (ii) the Company's amalgamation, consolidation or merger with or into any other person, any merger of another person into the Company, unless the holders of voting securities of the Company immediately prior to such amalgamation, consolidation or merger hold securities representing 50% or more of the voting control or direction in the Company or the successor entity upon completion of such amalgamation, consolidation or merger; or (iii) any conveyance, transfer, sale lease or other disposition of all or substantially all of the Company's and the Company's subsidiaries' assets and properties, taken as a whole, to another arm's length person (collectively, a "**Change of Control**"), the Company shall make an offer in writing to holders of Convertible Notes (the "**Change of Control Offer**") to, at the Convertible Note holders' election, either: (i) purchase the Convertible Notes from such holders for cash at 102% of the principal amount thereof and the accrued and unpaid interest thereon; or (ii) convert the Convertible Notes at a price equal to 95% of the Maturity Conversion Price.

If 90% or more of the principal amount of the Convertible Notes outstanding on the date of the giving of notice of the Change of Control have been tendered to the Company pursuant to an offer made to the holders of all Convertible Notes, the Company will have the right to redeem all the remaining Convertible Notes for cash at 102% of the principal amount thereof and the accrued and unpaid interest thereon.

Form and Terms of Offering:	The Offering will be offered for purchase and sales (i) to accredited investors in Canada pursuant to available private placement exemptions; (ii) to "accredited investors" (within the meaning of Rule 501(a) of the United States Securities Act of 1933, as amended (the "**Securities Act**")) in the U.S. pursuant to available private placement exemptions; (iii) to investors resident in jurisdictions outside of Canada and the U.S., in each case in accordance with all applicable laws; provided that no prospectus, registration statement or similar document is required to be filed in such foreign jurisdiction. The Convertible Notes will not be qualified investments under the Income Tax Act (Canada) for registered accounts. The Convertible Notes may not be transferred in the United States other than to an "institutional accredited investor" in compliance with an available exemption from the registration requirements of the Securities Act. All transfers of Convertible Notes will be subject to the prior approval of the Company in order to ensure compliance with applicable securities laws, including the Securities Act. At or prior to, and as a condition precedent in favor of the Company for, the Closing, each subscriber that is not a U.S. person shall deliver to the Company an IRS Form W-8BEN or W-8BEN-E and each subscriber that is a U.S. person shall deliver to the Company an IRS Form W-9, in each case in form and completed in a manner satisfactory to the Company. Each subscriber shall irrevocably grant to the Company and its designees an irrevocable proxy and power of attorney, with full power of substitution, with full power and authority in the subscriber's place and stead to execute and deliver all documents, instruments and agreements, including any lock-up agreement, in such manner and on such terms as is customary, in respect of such subscriber's equity securities of the Company in respect of the Go-Public Transaction, and to vote all voting securities of the Company hereafter owned or controlled by the subscriber, in such manner as more fully described in the Subscription Agreement.
Hold Period:	The Company is a private company and there is currently no market through which its securities may be sold. Holders may not be able to resell Convertible Notes purchased under this Term Sheet. The Convertible Notes and the securities issuable thereunder may be subject to an indefinite hold period pursuant to applicable securities laws.
Conditions:	The Issue remains subject to receipt of Board approval by the Company and the completion of all customary documentation for transactions of this nature.
Closing Date:	Closing will be on a date or date(s) as the Company may determine.

EXHIBIT D

WIRE INSTRUCTIONS

(see attached)

Incoming Wire Instructions

[***]

FORM A

CANADIAN ACCREDITED INVESTOR STATUS CERTIFICATE

TO BE COMPLETED BY CANADIAN SUBSCRIBERS.

The categories listed herein contain certain specifically defined terms. If you are unsure as to the meanings of those terms, or are unsure as to the applicability of any category below, please contact your broker and/or legal advisor before completing this certificate.

TO: ASCEND WELLNESS HOLDINGS, LLC (the "**Company**")

In connection with the purchase by the undersigned Investor of the Convertible Notes, the Investor, on its own behalf or on behalf of each Disclosed Principal for whom the Investor is acting (collectively, the "**Investor**"), hereby represents, warrants, covenants and certifies to the Company (and acknowledges that the Company and its counsel are relying thereon) that:

(a) the Investor is resident in or otherwise subject to the securities laws of one of the Provinces of British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, Québec, New Brunswick, Nova Scotia, Prince Edward Island or Newfoundland and Labrador;

(b) the Investor is purchasing the Convertible Notes as principal for its own account and not for the benefit of any other person or is deemed to be purchasing as principal pursuant to NI 45-106;

(c) the Investor is an "accredited investor" within the meaning of NI 45-106 or Section 73.3 of the *Securities Act* (Ontario) on the basis that the Investor fits within one of the categories of an "accredited investor" reproduced below beside which the Investor has indicated the undersigned belongs to such category;

(d) the Investor was not created or used solely to purchase or hold securities as an accredited investor as described in paragraph (m) below;

(e) if the Investor is purchasing under category (j), (k) or (l) below, it has completed and signed Exhibit "I" attached hereto; and

(f) upon execution of this Form A by the Investor (and if applicable, Exhibit "I" to Form A), this Form A (and if applicable, Exhibit "I" to Form A) shall be incorporated into and form a part of the Subscription Agreement to which this Form A is attached.

(PLEASE CHECK THE BOX OF THE APPLICABLE CATEGORY OF ACCREDITED INVESTOR)

☐ (a) (i) except in Ontario, a Canadian financial institution, or a Schedule III bank; or

(ii) in Ontario, a financial institution that is (A) a bank listed in Schedule I, II or III of the *Bank Act* (Canada); (B) an association to which the *Cooperative Credit Associations Act* (Canada) applies or a central cooperative credit society for which an order has been made under subsection 473(1) of that Act; or (C) a loan corporation, trust company, trust corporation, insurance company, treasury branch, credit union, caisse populaire, financial services cooperative or credit union league or federation that is authorized by a statute of Canada or Ontario to carry on business in Canada or Ontario, as the case may be;

☐ (b) the Business Development Bank of Canada incorporated under the *Business Development Bank of Canada Act* (Canada);

☐ (c) a subsidiary of any person or company referred to in paragraphs (a) or (b), if the person or company owns all of the voting securities of the subsidiary, except the voting securities required by law to be owned by directors of that subsidiary;

☐ (d) a person or company registered under the securities legislation of a jurisdiction (province or territory) of Canada as an adviser or dealer (or in Ontario, except as otherwise prescribed by the regulations under the *Securities Act* (Ontario));

☐ (e) an individual registered under the securities legislation of a jurisdiction of Canada as a representative of a person referred to in paragraph (d);

☐ (e.1) an individual formerly registered under the securities legislation of a jurisdiction of Canada, other than an individual formerly registered solely as a representative of a limited market dealer under one or both of the *Securities Act* (Ontario) or the *Securities Act* (Newfoundland and Labrador);

☐ (f) the Government of Canada or a jurisdiction (province or territory) of Canada, or any crown corporation, agency or wholly owned entity of the Government of Canada or a jurisdiction of Canada;

☐ (g) a municipality, public board or commission in Canada and a metropolitan community, school board, the Comité de gestion de la taxe scolaire de l'île de Montréal or an intermunicipal management board in Québec;

☐ (h) any national, federal, state, provincial, territorial or municipal government of or in any foreign jurisdiction, or any agency of that government;

☐ (i) a pension fund that is regulated by either the Office of the Superintendent of Financial Institutions (Canada), a pension commission or similar regulatory authority of a jurisdiction (province or territory) of Canada;

☐ (j) an individual who, either alone or with a spouse, beneficially owns financial assets having an aggregate realizable value that, before taxes, but net of any related liabilities, exceeds C$1,000,000 **(completion of Exhibit "I" is also required)**;

☐ (j.1) an individual who beneficially owns financial assets having an aggregate realizable value that, before taxes but net of any related liabilities, exceeds C$5,000,000;

☐ (k) an individual whose net income before taxes exceeded $200,000 in each of the two most recent calendar years or whose net income before taxes combined with that of a spouse exceeded C$300,000 in each of the two most recent calendar years and who, in either case, reasonably expects to exceed that net income level in the current calendar year **(completion of Exhibit "I" is also required);**

☐ (l) an individual who, either alone or with a spouse, has net assets of at least C$5,000,000 **(completion of Exhibit "I" is also required);**

☐ (m) a person, other than an individual or investment fund, that has net assets of at least C$5,000,000 as shown on its most recently prepared financial statements;

☐ (n) an investment fund that distributes or has distributed its securities only to (i) a person that is or was an accredited investor at the time of the distribution, (ii) a person that acquires or acquired securities in the circumstances referred to in sections 2.10 [*Minimum amount investment*] or 2.19 [*Additional investment in investment funds*] of NI 45-106, or (iii) a person described in sub- paragraph (i) or (ii) that acquires or acquired securities under section 2.18 [*Investment fund reinvestment*] of NI 45-106;

☐ (o) an investment fund that distributes or has distributed securities under a prospectus in a jurisdiction of Canada for which the regulator or, in Québec, the securities regulatory authority, has issued a receipt;

☐ (p) a trust company or trust corporation registered or authorized to carry on business under the *Trust and Loan Companies Act* (Canada) or under comparable legislation in a jurisdiction of Canada or a foreign jurisdiction, acting on behalf of a fully managed account managed by the trust company or trust corporation, as the case may be;

☐ (q) a person acting on behalf of a fully managed account managed by that person, if that person is registered or authorized to carry on business as an adviser or the equivalent under the securities legislation of a jurisdiction of Canada or a foreign jurisdiction;

☐ (r) a registered charity under the Income *Tax Act* (Canada) that, in regard to the trade, has obtained advice from an eligibility adviser or an adviser registered under the securities legislation of the jurisdiction of the registered charity to give advice on the securities being traded;

☐ (s) an entity organized in a foreign jurisdiction that is analogous to any of the entities referred to in paragraphs (a) to (d) or paragraph (i) in form and function;

☐ (t) a person in respect of which all of the owners of interests, direct, indirect or beneficial, except the voting securities required by law to be owned by directors, are persons that are accredited investors;

☐ (u) an investment fund that is advised by a person registered as an adviser or a person that is exempt from registration as an adviser;

☐ (v) a person that is recognized or designated by the securities regulatory authority or, except in Ontario or Québec, the regulator as an accredited investor;

☐ (w) a trust established by an accredited investor for the benefit of the accredited investor's family members of which a majority of the trustees are accredited investors and all of the beneficiaries are the accredited investor's spouse, a former spouse of the accredited investor or a parent, grandparent, brother, sister, child or grandchild of that accredited investor, of that accredited investor's spouse or of that accredited investor's former spouse; or

☐ (x) in Ontario, such other persons or companies as may be prescribed by the regulations under the Securities Act (Ontario).

***If checking this category (x), please provide a description of how this requirement is met.

For the purposes hereof, the following definitions are included for convenience:

(a) "**bank**" means a bank named in Schedule I or II of the *Bank Act* (Canada);

(b) "**Canadian financial institution**" means (i) an association governed by the *Cooperative Credit Associations Act* (Canada) or a central cooperative credit society for which an order has been made under section 473(1) of that Act, or (ii) a bank, loan corporation, trust company, trust corporation, insurance company, treasury branch, credit union, caisse populaire, financial services cooperative, or league that, in each case, is authorized by an enactment of Canada or a jurisdiction of Canada to carry on business in Canada or a jurisdiction of Canada;

(c) "**company**" means any corporation, incorporated association, incorporated syndicate or other incorporated organization;

(d) "**eligibility adviser**" means:

(i) a person that is registered as an investment dealer and authorized to give advice with respect to the type of security being distributed, and

(ii) in Saskatchewan or Manitoba, also means a lawyer who is a practicing member in good standing with a law society of a jurisdiction of Canada or a public accountant who is a member in good standing of an institute or association of chartered accountants, certified general accountants or certified management accountants in a jurisdiction of Canada provided that the lawyer or public accountant must not

(A) have a professional, business or personal relationship with the issuer, or any of its directors, executive officer, founders, or control persons, and

(B) have acted for or been retained personally or otherwise as an employee, executive officer, director, associate or partner of a person that has acted for or been retained by the issuer or any of its directors, executive officers, founders or control persons within the previous 12 months;

(e) "**executive officer**" means, for an issuer, an individual who is: (i) a chair, vice-chair or president, (ii) a vice-president in charge of a principal business unit, division or function including sales, finance or production, or (iii) performing a policy-making function in respect of the issuer;

(f) "**financial assets**" means (i) cash, (ii) securities, or (iii) a contract of insurance, a deposit or an evidence of a deposit that is not a security for the purposes of securities legislation;

(g) "**fully managed account**" means an account of a client for which a person makes the investment decisions if that person has full discretion to trade in securities for the account without requiring the client's express consent to a transaction;

(h) "**investment fund**" has the same meaning as in National Instrument 81-106 *Investment Fund Continuous Disclosure*;

(i) "**person**" includes: (i) an individual, (ii) a corporation, (iii) a partnership, trust, fund and an association, syndicate, organization or other organized group of persons whether incorporated or not, and (iv) an individual or other person in that person's capacity as a trustee, executor, administrator or personal or other legal representative.

(j) "**related liabilities**" means (i) liabilities incurred or assumed for the purpose of financing the acquisition or ownership of financial assets, or (ii) liabilities that are secured by financial assets;

(k) "**Schedule III bank**" means an authorized foreign bank named in Schedule III of the *Bank Act* (Canada);

(l) "**spouse**" means, an individual who, (i) is married to another individual and is not living separate and apart within the meaning of the *Divorce Act* (Canada), from the other individual, (ii) is living with another individual in a marriage-like relationship, including a marriage-like relationship between individuals of the same gender, or (iii) in Alberta, is an individual referred to in paragraph (i) or (ii), or is an adult interdependent partner within the meaning of the Adult Interdependent Relationships Act (Alberta); and

(m) "**subsidiary**" means an issuer that is controlled directly or indirectly by another issuer and includes a subsidiary of that subsidiary.

In NI 45-106 a person or company is an affiliate of another person or company if one of them is a subsidiary of the other, or if each of them is controlled by the same person.

In NI 45-106 and except in Part 2 Division 4 (Employee, Executive Officer, Director and Consultant Exemption) of NI 45-106, a person (first person) is considered to control another person (second person) if (a) the first person,

beneficially owns or directly or indirectly exercises control or direction over securities of the second person carrying votes which, if exercised, would entitle the first person to elect a majority of the directors of the second person,unless that first person holds the voting securities only to secure an obligation, (b) the second person is a partnership, other than a limited partnership, and the first person holds more than 50% of the interests of the partnership, or (c) the second person is a limited partnership and the general partner of the limited partnership is the first person.

The foregoing representations contained in this certificate are true and accurate as of the date of this certificate and will be true and accurate as of the Closing Time (as defined in the Subscription Agreement to which this Form A is attached) and the Investor acknowledges that this Accredited Investor Status Certificate is incorporated into and forms a part of the Subscription Agreement to which it is attached. If any such representations shall not be true and accurate prior to the Closing Time, the undersigned shall give immediate written notice of such fact to the Company prior to the Closing Time.

Date: _____	Signed: _____
_____	_____
Witness (If Investor is an Individual)	Print the name of Investor
_____	_____
Print Name of Witness	If Investor is a Corporation, print name and title of Authorized Signing Officer

EXHIBIT "I" TO FORM A

FORM FOR INDIVIDUAL ACCREDITED INVESTORS

THIS "EXHIBIT I" TO FORM A IS TO BE COMPLETED BY ACCREDITED INVESTORS WHO ARE INDIVIDUALS SUBSCRIBING UNDER CATEGORIES (J), (K) OR (L) IN FORM A TO WHICH THIS EXHIBIT "I" IS ATTACHED.

WARNING!

This investment is risky. Don't invest unless you can afford to lose all the money you pay for this investment.

SECTION 1 TO BE COMPLETED BY THE ISSUER OR SELLING SECURITY SUBSCRIBER	
1. About your investment	
Type of securities: ***Convertible Note***	Issuer: ***Ascend Wellness Holdings, LLC***
Purchased from: ***Issuer***	
SECTIONS 2 TO 4 TO BE COMPLETED BY THE PURCHASER	
2. Risk acknowledgement	
This investment is risky. Initial that you understand that:	**Your Initials**
Risk of loss - You could lose your entire investment of US$ _____ . *[Instruction: Insert the total dollar amount of the investment.]*	
Liquidity risk - You may not be able to sell your investment quickly - or at all.	
Lack of information - You may receive little or no information about your investment.	
Lack of advice - You will not receive advice from the salesperson about whether this investment is suitable for you unless the salesperson is registered. The salesperson is the person who meets with, or provides information to, you about making this investment. To check whether the salesperson is registered, go to www.aretheyregistered.ca.	
3. Accredited investor status	
You must meet at least **one** of the following criteria to be able to make this investment.Initial the statement that applies to you. (You may initial more than one statement.) The person identified in section 6 is responsible for ensuring that you meet the definition of accredited investor. That person, or the salesperson identified in section 5, can help you if you have questions about whether you meet these criteria.	**Your initials**
• Your net income before taxes was more than C$200,000 in each of the 2 most recent calendar years, and you expect it to be more than C$200,000 in the current calendar year. (You can find your net income before taxes on your personal income tax return.)	
• Your net income before taxes combined with your spouse's was more than C$300,000 in each of the 2 most recent calendar years, and you expect your combined net income before taxes to be more than C$300,000 in the current calendar year.	

• Either alone or with your spouse, you own more than C$1 million in cash and securities, after subtracting any debt related to the cash and securities.	
• Either alone or with your spouse, you have net assets worth more than C$5 million. (Your net assets are your total assets (including real estate) minus your total debt.)	

4. Your name and signature	
By signing this form, you confirm that you have read this form and you understand the risks of making this investment as identified in this form.	
First and last name (please print):	
Signature:	Date:
SECTION 5 TO BE COMPLETED BY THE SALESPERSON	
5. Salesperson information	
[Instruction: The salesperson is the person who meets with, or provides information to, the purchaser with respect to making this investment. That could include a representative of the issuer or selling security holder, a registrant or a person who is exempt from the registration requirement.]	
First and last name of salesperson (please print):	
Telephone:	Email:
Name of firm (if registered):	
SECTION 6 TO BE COMPLETED BY THE ISSUER OR SELLING SECURITY SUBSCRIBER	
6. For more information about this investment	
Ascend Wellness Holdings, LLC 125 Cambridgepark Drive, Suite 301 Cambridge, MA 02140 Attention: Sarah Levy Email: slevy@awholdings.com **For more information about prospectus exemptions, contact your local securities regulator. You can find contact information at www.securities-administrators.ca.**	

Form instructions:

1. *This form does not mandate the use of a specific font size or style but the font must be legible.*
2. *The information in sections 1, 5 and 6 must be completed before the purchaser completes and signs the form.*
3. *The purchaser must sign this form. Each of the purchaser and the issuer or selling security holder must receive a copy of this form signed by the purchaser. The issuer or selling security holder is required to keep a copy of this form for 8 years after the distribution.*

FORM B

INTERNATIONAL JURISDICTION CERTIFICATE

TO BE COMPLETED BY SUBSCRIBERS WHO ARE RESIDENT OUTSIDE OF CANADA AND THE UNITED STATES

Terms not otherwise defined herein will have the definition ascribed thereto in the Subscription Agreement to which this Form B is attached.

TO: ASCEND WELLNESS HOLDINGS, LLC (the "**Company**")

In connection with the purchase by the undersigned Investor of the Convertible Notes, the Investor, on its own behalf or on behalf of each Disclosed Principal for whom the Investor is acting (collectively, the "**Investor**"), hereby represents, warrants, covenants and certifies to the Company (and acknowledges that the Company and its counsel are relying thereon) that:

(a) the Investor is knowledgeable of, or has been independently advised as to, the applicable Securities Laws of the securities regulators having application in the jurisdiction in which the Investor is resident which would apply to the acquisition of the Convertible Notes (the "**International Jurisdiction**");

(b) the Investor is purchasing the Convertible Notes pursuant to exemptions from prospectus or equivalent requirements under applicable Securities Laws or, if such is not applicable, the Investor is permitted to purchase the Convertible Notes under the applicable Securities Laws of the securities regulators in the International Jurisdiction without the need to rely on any exemptions;

(c) the applicable Securities Laws of the authorities in the International Jurisdiction do not require the Company to make any filings or seek any approvals of any kind whatsoever from any securities regulator of any kind whatsoever in the International Jurisdiction in connection with the issue and sale or resale of the Convertible Notes (or Underlying Securities);

(d) the purchase of the Convertible Notes by the Investor does not trigger:

(i) any obligation of the Company to prepare and file a prospectus, registration statement, offering memorandum or similar document, or any other report or notice with respect to such purchase in the International Jurisdiction;

(ii) any continuous disclosure reporting obligation of the Company in the International Jurisdiction; or

(iii) any registration or other similar obligation on the part of the Company in the International Jurisdiction;

(e) the distribution of the Convertible Notes (and the Underlying Securities) to the Investor by the Company complies with the laws of the International Jurisdiction;

(f) the Investor will, if requested by the Company, deliver to the Company a certificate or opinion of local counsel from the International Jurisdiction which will confirm the matters referred to in paragraphs (b), (c), (d) and (e) above to the satisfaction of the Company, acting reasonably; and

(g) the Investor will not sell, transfer or dispose of the Convertible Notes (or the Underlying Securities) except in accordance with all applicable Securities Laws of the securities regulators in the International Jurisdiction and the Investor acknowledges that the Company shall have no obligation to register any purported sale, transfer or disposition.

The foregoing representations, warranties, covenants and certifications contained in this certificate are true and accurate as of the date of this certificate and will be true and accurate as of the Closing Time (as defined in the Subscription Agreement to which this Form B is attached) and the Investor acknowledges that this international jurisdiction certificate is incorporated into and forms a part of the Subscription Agreement to which it is attached. If any such representations, warranties and certifications shall not be true and accurate prior to the Closing Time, the undersigned shall give immediate written notice of such fact to the Company prior to the Closing Time.

Date: _____	Signed: _____
_____	_____
Witness (If Investor is an Individual)	Print the name of Investor
_____	_____
Print Name of Witness	If Investor is a Corporation, print name and title of Authorized Signatory

FORM C

U.S. ACCREDITED INVESTOR CERTIFICATE

Investors that are U.S. Accredited Investors must review and complete the following U.S. Accredited Investor Certificate.

Terms not otherwise defined herein will have the definition ascribed thereto in the Subscription Agreement to which this Form C is attached.

TO: ASCEND WELLNESS HOLDINGS, LLC (the "**Company**")

The undersigned (the "**Investor**"), on behalf of itself and any Disclosed Principal, represents, warrants and covenants (which representations, warranties and covenants shall survive the Closing) to and with the Company and acknowledges that the Company is relying thereon that:

(a) it (and any Disclosed Principal), alone or with the assistance of its professional advisors, has such knowledge and experience in financial and business matters as to be capable of evaluating the merits and risks of its investment in the Convertible Notes and is able, without impairing its financial condition, to hold the Convertible Notes or the Underlying Securities for an indefinite period of time and to bear the economic risks, and withstand a complete loss, of such investment;

(b) it (and any Disclosed Principal) acknowledges that the Convertible Notes and the Underlying Securities have not been and will not be registered under the U.S. Securities Act or the securities laws of any state of the United States, and will, therefore, be "restricted securities", as such term is defined under Rule 144(a)(3) under the U.S. Securities Act, and that the offer and sale of the Convertible Notes to it will be made in reliance upon an exemption from registration available to the Company pursuant to Rule 506(b) of Regulation D under the U.S. Securities Act and/or Section 4(a)(2) thereof;

(c) it is purchasing the Convertible Notes for its own account, or for the account of another U.S. Accredited Investor over which it exercises sole investment discretion, for investment purposes only and not with a view to resale or distribution and, in particular, it has no intention to distribute either directly or indirectly any of the Convertible Notes or the Underlying Securities in the United States; provided, however, that this paragraph shall not restrict the Investor (and any Disclosed Principal) from selling or otherwise disposing of any of the Convertible Notes or the Underlying Securities pursuant to a registration statement effective under the U.S. Securities Act and any applicable state securities laws or under an exemption from such registration requirements;

(d) it (and any Disclosed Principal) is a U.S. Accredited Investor that satisfies one or more of the categories of U.S. Accredited Investor indicated below (the Investor must mark "S" for the Investor and "DP" for the Disclosed Principal on the appropriate line(s)):

Category 1.	_____	A bank, as defined in section 3(a)(2) of the U.S. Securities Act, whether acting in its individual or fiduciary capacity; or
Category 2.	_____	A savings and loan association or other institution as defined in section 3(a)(5)(A) of the U.S. Securities Act, whether acting in its individual or fiduciary capacity; or
Category 3.	_____	A broker or dealer registered pursuant to section 15 of the United States Securities Exchange Act of 1934, as amended; or
Category 4.	_____	An insurance company as defined in section 2(a)(13) of the U.S. Securities Act; or

Category 5. _____ An investment company registered under the United States Investment Company Act of 1940, as amended; or

Category 6. _____ A business development company as defined in section 2(a)(48) of the United States Investment Company Act of 1940, as amended; or

Category 7. _____ A small business investment company licensed by the U.S. Small Business Administration under section 301 (c) or (d) of the United States Small Business Investment Act of 1958, as amended; or

Category 8. _____ A plan established and maintained by a state, its political subdivisions or any agency or instrumentality of a state or its political subdivisions, for the benefit of its employees, with total assets in excess of U.S.$5,000,000; or

Category 9. _____ An employee benefit plan within the meaning of the United States Employee Retirement Income Security Act of 1974, as amended, in which the investment decision is made by a plan fiduciary, as defined in section 3(21) of such Act, which is either a bank, savings and loan association, insurance company or registered investment adviser, or an employee benefit plan with total assets in excess of U.S. $5,000,000 or, if a self-directed plan, with investment decisions made solely by persons who are accredited investors; or

Category 11. _____ An organization described in section 501(c)(3) of the United States Internal Revenue Code, a corporation, a Massachusetts or similar business trust, or a partnership, not formed for the specific purpose of acquiring the securities offered, with total assets in excess of U.S.$5,000,000; or

Category 12. _____ Any director or executive officer of the Company; or

Category 13. _____ A natural person (including an Individual Retirement Account ("**IRA**") owned by such person) with individual net worth, or joint net worth with that person's spouse, at the time of this purchase exceeds U.S.$1,000,000;

Note:

(i) person's primary residence shall not be included as an asset;

(ii) indebtedness that is secured by the person's primary residence, up to the estimated fair market value of the primary residence at the time of the sale of securities, shall not be included as a liability (except that if the amount of such indebtedness outstanding at the time of the sale of securities exceeds the amount outstanding 60 days before such time, other than as a result of the acquisition of the primary residence, the amount of such excess shall be included as a liability); and

(ii) indebtedness that is secured by the person's primary residence in excess of the estimated fair market value of the primary residence at the time of the sale of securities shall be included as a liability; or

Category 14.	_____	A natural person (including an IRA owned by such person) who had an individual income in excess of U.S.$200,000 in each of the two most recent years or joint income with that person's spouse in excess of U.S.$300,000 in each of those years and has a reasonable expectation of reaching the same income level in the current year; or
Category 15.	_____	A trust, with total assets in excess of U.S.$5,000,000, not formed for the specific purpose of acquiring the securities offered, whose purchase is directed by a sophisticated person as described in Rule 506(b)(2)(ii) under the U.S. Securities Act; or
Category 16.	_____	Any entity in which all of the equity owners meet the requirements of at least one of the above categories;

(e) it (and any Disclosed Principal) has not purchased the Convertible Notes as a result of any form of "general solicitation" or "general advertising" (as used in Rule 502(c) of Regulation D under the U.S. Securities Act), including, without limitation, any advertisements, articles, notices or other communications published in any newspaper, magazine or similar media or broadcast over radio, television or internet or any seminar or meeting whose attendees have been invited by "general solicitation" or "general advertising";

(f) it (and any Disclosed Principal) agrees that if it decides to offer, sell, pledge or otherwise transfer any of the Convertible Notes or the Underlying Securities, it will not offer, sell, pledge or otherwise transfer any of such securities, directly or indirectly, unless the transfer is:

(i) pursuant to a registration statement effective under the U.S. Securities Act and applicable state securities laws; or

(ii) pursuant to an exemption from registration under the U.S. Securities Act;

and, in either case, it has furnished to the Company an opinion of counsel of recognized standing in form and substance reasonably satisfactory to the Company to such effect;

(g) the Convertible Notes purchased hereunder will be represented by physical certificates and it understands and acknowledges that upon the original issuance thereof, and until such time as the same is no longer required under applicable requirements of the U.S. Securities Act or applicable state securities laws, certificates representing the Securities and all certificates issued in exchange therefore or in substitution thereof, will bear the legends set forth in the Subscription Agreement;

(h) it (and any Disclosed Principal) has had the opportunity to ask questions of and receive answers from the Company regarding the investment, and has received all the information regarding the Company that it has requested;

(i) it (and any Disclosed Principal) has had access to such information concerning the Company as it has considered necessary or appropriate in connection with its investment decision to acquire the Convertible Notes;

(j) it (and any Disclosed Principal) is aware that (i) purchasing, holding and disposing of the Convertible Notes or the Underlying Securities may have tax consequences under the laws of both Canada and the United States, (ii) the tax consequences for prospective investors who are resident in, or citizens of, the United States are not described in this Subscription Agreement, and (iii) it is solely responsible for determining the tax consequences applicable to its particular circumstances and should consult its own tax advisors concerning investment in the Convertible Notes; in particular, but without limitation, no determination has been made whether the Company is or will be a "passive foreign investment company" within the meaning of section 1297 of the United States Internal Revenue Code of 1986, as amended; and

(k) it (and any Disclosed Principal) acknowledges that the representations, warranties and covenants contained in this Schedule are made by it with the intent that they may be relied upon by the Company in determining its eligibility to purchase the Convertible Notes. It (and any Disclosed Principal) agrees that by accepting the Convertible Notes, it shall be representing and warranting that the representations and warranties above are true as at the Closing and as at the date of conversion of Convertible Notes for the Underlying Securities with the same force and effect as if they had been made by it at the Closing and that they shall survive the purchase by it of the Convertible Notes and shall continue in full force and effect notwithstanding any subsequent disposition by it of the Convertible Notes.

The Investor undertakes to notify the Company immediately of any change in any representation, warranty or other information relating to the Investor (and any Disclosed Principal) set forth herein which takes place prior to the Closing.

If a Corporation, Partnership or Other Entity:

Name of Entity

Type of Entity

Signature of Person Signing

Print or Type Name and Title of Person Signing

If an Individual:

Signature

Print of Type Name

FORM D

W-8BEN (*Non U.S. Individuals*)
W-8BEN-E (*Non U.S. Entities*)

(see attached)

Form **W-8BEN**

(Rev. July 2017)

Department of the Treasury
Internal Revenue Service

Certificate of Foreign Status of Beneficial Owner for United States Tax Withholding and Reporting (Individuals)

► **For use by individuals. Entities must use Form W-8BEN-E.**

► **Go to *www.irs.gov/FormW8BEN* for instructions and the latest information.**

► **Give this form to the withholding agent or payer. Do not send to the IRS.**

OMB No. 1545-1621

Do NOT use this form if:	**Instead, use Form:**
• You are NOT an individual	W-8BEN-E
• You are a U.S. citizen or other U.S. person, including a resident alien individual	W-9
• You are a beneficial owner claiming that income is effectively connected with the conduct of trade or business within the U.S. (other than personal services)	W-8ECI
• You are a beneficial owner who is receiving compensation for personal services performed in the United States	8233 or W-4
• You are a person acting as an intermediary	W-8IMY

Note: If you are resident in a FATCA partner jurisdiction (i.e., a Model 1 IGA jurisdiction with reciprocity), certain tax account information may be provided to your jurisdiction of residence.

Part I Identification of Beneficial Owner (see instructions)

1 Name of individual who is the beneficial owner	**2** Country of citizenship
3 Permanent residence address (street, apt. or suite no., or rural route). **Do not use a P.O. box or in-care-of address.**	
City or town, state or province. Include postal code where appropriate.	Country
4 Mailing address (if different from above)	
City or town, state or province. Include postal code where appropriate.	Country
5 U.S. taxpayer identification number (SSN or ITIN), if required (see instructions)	**6** Foreign tax identifying number (see instructions)
7 Reference number(s) (see instructions)	**8** Date of birth (MM-DD-YYYY) (see instructions)

Part II Claim of Tax Treaty Benefits (for chapter 3 purposes only) (see instructions)

9 I certify that the beneficial owner is a resident of_____ within the meaning of the income tax treaty between the United States and that country.

10 **Special rates and conditions** (if applicable—see instructions): The beneficial owner is claiming the provisions of Article and paragraph_____ of the treaty identified on line 9 above to claim a____% rate of withholding on (specify type of income):_____ Explain the additional conditions in the Article and paragraph the beneficial owner meets to be eligible for the rate of withholding: _____

_____

Part II Certification

Under penalties of perjury, I declare that I have examined the information on this form and to the best of my knowledge and belief it is true, correct, and complete. I further certify under penalties of perjury that:

- I am the individual that is the beneficial owner (or am authorized to sign for the individual that is the beneficial owner) of all the income to which this form relates or am using this form to document myself for chapter 4 purposes,
- The person named on line 1 of this form is not a U.S. person
- The income to which this form relates is:
  (a) not effectively connected with the conduct of a trade or business in the United States,
  (b) effectively connected but is not subject to tax under an applicable income tax treaty, or
  (c) the partner's share of a partnership's effectively connected income,
- The person named on line 1 of this form is a resident of the treaty country listed on line 9 of the form (if any) within the meaning of the income tax treaty between the United States and that country, and
- For broker transactions or barter exchanges, the beneficial owner is an exempt foreign person as defined in the instructions.

Furthermore, I authorize this form to be provided to any withholding agent that has control, receipt, or custody of the income of which I am the beneficial owner or any withholding agent that can disburse or make payments of the income of which I am the beneficial owner. **I agree that I will submit a new form within 30 days if any certification made on this form becomes incorrect.**

Sign Here ▶

Signature of beneficial owner (or individual authorized to sign for beneficial owner)	Date (MM-DD-YYYY)
Print name of signer	Capacity in which acting (if form is not signed by beneficial owner)

Form **W-8BEN-E**

(Rev. July 2017)

Department of the Treasury
Internal Revenue Service

Certificate of Foreign Status of Beneficial Owner for United States Tax Withholding and Reporting (Entities)

► **For use by entities. Individuals must use Form W-8BEN.** ► **Section references are to the Internal Revenue Code**

► **Go to *www.irs.gov/FormW8BENE* for instructions and the latest information.**

► **Give this form to the withholding agent or payer. Do not send to the IRS.**

OMB No. 1545-1621

Do NOT use this form if:	**Instead, use Form:**
• U.S. entity or U.S. citizen or resident	W-9
• A foreign individual	W-8BEN (Individual) or From 8233
• A foreign individual or entity claiming that income is effectively connected with the conduct of trade or business within the U.S. (unless claiming treaty benefits) .	W-8ECI
• A foreign partnership, a foreign simple trust, or a foreign grantor trust (unless claiming treaty benefits) (see instructions for exceptions)	W-8IMY
• A foreign government, international organization, foreign central bank of issue, foreign tax-exempt organization, foreign private foundation, or government of a U.S. possession claiming that income is effectively connected U.S. income or that is claiming the applicability of section(s) 115(2),	W-8ECI or W-8EXP
• Any person acting as an intermediary (including a qualified intermediary acting as a qualified derivatives dealer)	W-8IMY

Part I Identification of Beneficial Owner

1 Name of organization that is the beneficial owner

2 Country of incorporation or organization

3 Name of disregarded entity receiving the payment (if applicable, see instructions)

4 Chapter 3 Status (entity type) (Must check one box only):

☐ Corporation ☐ Disregarded entity ☐ Partnership
☐ Simple trust ☐ Grantor trust ☐ Complex trust ☐ Estate ☐ Government
☐ Central Bank of Issue ☐ Tax-exempt organization ☐ Private foundation ☐ International organization

If you entered disregarded entity, partnership, simple trust, or grantor trust above, is the entity a hybrid making a treaty claim? If "Yes" complete Part III. ☐ Yes ☐ No

5 Chapter 4 Status (FATCA status) (See instructions for details and complete the certification below for the entity's applicable status.)

☐ Nonparticipating FFI (including an FFI related to a Reporting IGA FFI other than a deemed-compliant FFI, participating FFI, or exempt beneficial owner).
☐ Participating FFI.
☐ Reporting Model 1 FFI.
☐ Reporting Model 2 FFI.
☐ Registered deemed-compliant FFI (other than a reporting Model 1 FFI, sponsored FFI, or nonreporting IGA FFI covered in Part XII). See instructions.
☐ Sponsored FFI. Complete Part IV.
☐ Certified deemed-compliant nonregistering local bank. Complete Part V.
☐ Certified deemed-compliant FFI with only low-value accounts. Complete Part VI.
☐ Certified deemed-compliant sponsored, closely held investment vehicle. Complete Part VII.
☐ Certified deemed-compliant limited life debt investment entity. Complete Part VIII.
☐ Certain investment entities that do not maintain financial accounts. Complete Part IX.
☐ Owner-documented FFI. Complete Part X.
☐ Restricted distributor. Complete Part XI.
☐ Nonreporting IGA FFI. Complete Part XII.
☐ Foreign government, government of a U.S. possession, or foreign central bank of issue. Complete Part XIII.
☐ International organization. Complete Part XIV.
☐ Exempt retirement plans. Complete Part XV.
☐ Entity wholly owned by exempt beneficial owners. Complete Part XVI
☐ Territory financial institution. Complete Part XVII.
☐ Excepted nonfinancial group entity. Complete Part XVIII.
☐ Excepted nonfinancial start-up company. Complete Part XIX.
☐ Excepted nonfinancial entity in liquidation or bankruptcy. Complete Part XX.
☐ 501(c) organization. Complete Part XXI.
☐ Nonprofit organization. Complete Part XXII.
☐ Publicly traded NFFE or NFFE affiliate of a publicly traded corporation. Complete Part XXIII.
☐ Excepted territory NFFE. Complete Part XXIV.
☐ Active NFFE. Complete Part XXV.
☐ Passive NFFE. Complete Part XXVI.
☐ Excepted inter-affiliate FFI. Complete Part XXVII.
☐ Direct reporting NFFE.
☐ Sponsored direct reporting NFFE. Complete Part XXVIII.
☐ Account that is not a financial account.

6 Permanent residence address (street, apt. or suite no., or rural route). **Do not use a P.O. box or in-care-of address** (other than a registered address).

City or town, state or province. Include postal code where appropriate. | Country

7 Mailing address (if different from above)

City or town, state or province. Include postal code where appropriate. | Country

8 U.S. taxpayer identification number (ITIN), if required | **9a** GIIN | **b** Foreign TIN

10 Reference number(s) (see instructions)

Note: Please complete remainder of the form including signing the form in Part XXX.

Part II Disregarded Entity or Branch Receiving Payment. (Complete only if a disregarded entity with a GIIN or a branch of an FFI in a country other than the FFI's country of residence. See instructions.)

11 Chapter 4 Status (FATCA status) of disregarded entity or branch receiving payment

☐ Branch treated as nonparticipating FFI. ☐ Reporting Model 1 FFI. ☐ U.S. Branch.

☐ Participating FFI. ☐ Reporting Model 2 FFI.

12 Address of disregarded entity or branch (street, apt. or suite no., or rural route). **Do not use a P.O. box or in-care-of address** (other than a registered address).

City or town, state or province. Include postal code where appropriate.

Country

13 GIIN (if any) _____

Part III Claim of Tax Treaty Benefits (if applicable). (For chapter 3 purposes only.

14 I certify that (check all that apply):

a ☐ The beneficial owner is a resident of _____ within the meaning of the income tax treaty between the United States and that country.

b ☐ The beneficial owner derives the item (or items) of income for which the treaty benefits are claimed, and, if applicable, meets the requirements of the treaty provision dealing with limitation on benefits. The following are types of limitation on benefits provisions that may be included in an applicable tax treaty (check only one; see instructions):

☐ Government ☐ Company that meets the ownership and base erosion test

☐ Tax exempt pension trust or pension fund ☐ Company that meets the derivative benefits test

☐ Other tax exempt organization ☐ Company with an item of income that meets active trade or business test

☐ Publicly traded corporation ☐ Favorable discretionary determination by the U.S. competent authority received

☐ Subsidiary of a publicly traded corporation ☐ Other (specify Article and paragraph): _____

c ☐ The beneficial owner is claiming treaty benefits for U.S. source dividends received from a foreign corporation or interest from a U.S. trade or business of a foreign corporation and meets qualified resident status (see instructions).

15 **Special rates and conditions** (if applicable—see instructions):

The beneficial owner is claiming the provisions of Article and paragraph _____ of the treaty identified on line 14a above to claim a _____% rate of withholding on (specify type of income): _____ Explain the additional conditions in the Article the beneficial owner meets to be eligible for the rate of withholding: _____

_____

_____

Part IV Sponsored FFI

16 Name of sponsoring entity: _____

17 **Check whichever box applies.**

☐ I certify that the entity identified in Part I:

- Is an investment entity;
- Is not a QI, WP (except to the extent permitted in the withholding foreign partnership agreement), or WT; **and**
- Has agreed with the entity identified above (that is not a nonparticipating FFI) to act as the sponsoring entity for this entity.

☐ I certify that the entity identified in Part I:

- Is a controlled foreign corporation as defined in section 957(a);
- Is not a QI, WP, or WT;
- Is wholly owned, directly or indirectly, by the U.S. financial institution identified above that agrees to act as the sponsoring entity for this entity; **and**
- Shares a common electronic account system with the sponsoring entity (identified above) that enables the sponsoring entity to identify all account holders and payees of the entity and to access all account and customer information maintained by the entity including, but not limited to, customer identification information, customer documentation, account balance, and all payments made to account holders or payees.

Part V Certified Deemed-Compliant Nonregistering Local Bank

18 ☐ I certify that the FFI identified in Part I:

- Operates and is licensed solely as a bank or credit union (or similar cooperative credit organization operated without profit) in its country of incorporation or organization;
- Engages primarily in the business of receiving deposits from and making loans to, with respect to a bank, retail customers unrelated to such bank and, with respect to a credit union or similar cooperative credit organization, members, provided that no member has a greater than 5%interest in such credit union or cooperative credit organization;
- Does not solicit account holders outside its country of organization;
- Has no fixed place of business outside such country (for this purpose, a fixed place of business does not include a location that is not advertised to the public and from which the FFI performs solely administrative support functions);
- Has no more than $175 million in assets on its balance sheet and, if it is a member of an expanded affiliated group, the group has no more than $500 million in total assets on its consolidated or combined balance sheets; **and**
- Does not have any member of its expanded affiliated group that is a foreign financial institution, other than a foreign financial institution that is incorporated or organized in the same country as the FFI identified in Part I and that meets the requirements set forth in this part.

Part VI Certified Deemed-Compliant FFI with Only Low-Value Accounts

19 ☐ I certify that the FFI identified in Part I:

- Is not engaged primarily in the business of investing, reinvesting, or trading in securities, partnership interests, commodities, notional principal contracts, insurance or annuity contracts, or any interest (including a futures or forward contract or option) in such security, partnership interest, commodity, notional principal contract, insurance contract or annuity contract;
- No financial account maintained by the FFI or any member of its expanded affiliated group, if any, has a balance or value in excess of $50,000 (as determined after applying applicable account aggregation rules); **and**
- Neither the FFI nor the entire expanded affiliated group, if any, of the FFI, have more than $50 million in assets on its consolidated or combined balance sheet as of the end of its most recent accounting year.

Part VII Certified Deemed-Compliant Sponsored, Closely Held Investment Vehicle

20 Name of sponsoring entity:_____

21 ☐ I certify that the entity identified in Part I:

- Is an FFI solely because it is an investment entity described in Regulations section 1.1471-5(e)(4);
- Is not a QI, WP, or WT;
- Will have all of its due diligence, withholding, and reporting responsibilities (determined as if the FFI were a participating FFI) fulfilled by the sponsoring entity identified on line 20; **and**
- 20 or fewer individuals own all of the debt and equity interests in the entity (disregarding debt interests owned by U.S. financial institutions, participating FFIs, registered deemed-compliant FFIs, and certified deemed-compliant FFIs and equity interests owned by an entity if that entity owns 100% of the equity interests in the FFI and is itself a sponsored FFI).

Part VIII Certified Deemed-Compliant Limited Life Debt Investment Entity

22 ☐ I certify that the entity identified in Part I:

- Was in existence as of January 17, 2013;
- Issued all classes of its debt or equity interests to investors on or before January 17, 2013, pursuant to a trust indenture or similar agreement; **and**
- Is certified deemed-compliant because it satisfies the requirements to be treated as a limited life debt investment entity (such as the restrictions with respect to its assets and other requirements under Regulations section 1.1471-5(f)(2)(iv)).

Part IX Certain Investment Entities that Do Not Maintain Financial Accounts

23 ☐ I certify that the entity identified in Part I:

- Is a financial institution solely because it is an investment entity described in Regulations section 1.1471-5(e)(4)(i)(A), **and**
- Does not maintain financial accounts

Part X Owner-Documented FFI

Note: This status only applies if the U.S. financial institution, participating FFI, or reporting Model 1 FFI to which this form is given has agreed that it will treat the FFI as an owner-documented FFI (see instructions for eligibility requirements). In addition, the FFI must make the certifications below

24a ☐ (All owner-documented FFIs check here) I certify that the FFI identified in Part I:

- Does not act as an intermediary;
- Does not accept deposits in the ordinary course of a banking or similar business;
- Does not hold, as a substantial portion of its business, financial assets for the account of others;
- Is not an insurance company (or the holding company of an insurance company) that issues or is obligated to make payments with respect to a financial account;
- Is not owned by or in an expanded affiliated group with an entity that accepts deposits in the ordinary course of a banking or similar business, holds, as a substantial portion of its business, financial assets for the account of others, or is an insurance company (or the holding company of an insurance company) that issues or is obligated to make payments with respect to a financial account;
- Does not maintain a financial account for any nonparticipating FFI; **and**
- Does not have any specified U.S. persons that own an equity interest or debt interest (other than a debt interest that is not a financial account or that has a balance or value not exceeding $50,000) in the FFI other than those identified on the FFI owner reporting statement.
- Does not have any specified U.S. persons that own an equity interest or debt interest (other than a debt interest that is not a financial account or that has a balance or value not exceeding $50,000) in the FFI other than those identified on the FFI owner reporting statement.

Part X Owner-Documented FFI *(continued)*

Check box 24b or 24c, whichever applies.

b ☐ I certify that the FFI identified in Part I:

- Has provided, or will provide, an FFI owner reporting statement that contains:
  - **(i)** The name, address, TIN (if any), chapter 4 status, and type of documentation provided (if required) of every individual and specified U.S. person that owns a direct or indirect equity interest in the owner-documented FFI (looking through all entities other than specified U.S. persons);
  - **(ii)** The name, address, TIN (if any), and chapter 4 status of every individual and specified U.S. person that owns a debt interest in the owner-documented FFI (including any indirect debt interest, which includes debt interests in any entity that directly or indirectly owns the payee or any direct or indirect equity interest in a debt holder of the payee) that constitutes a financial account in excess of $50,000 (disregarding all such debt interests owned by participating FFIs, registered deemed-compliant FFIs, certified deemed- compliant FFIs, excepted NFFEs, exempt beneficial owners, or U.S. persons other than specified U.S. persons); **and**
  - **(iii)** Any additional information the withholding agent requests in order to fulfill its obligations with respect to the entity.
- Has provided, or will provide, valid documentation meeting the requirements of Regulations section 1.1471-3(d)(6)(iii) for each person identified in the FFI owner reporting statement.

c ☐ I certify that the FFI identified in Part I has provided, or will provide, an auditor's letter, signed within 4 years of the date of payment,from an independent accounting firm or legal representative with a location in the United States stating that the firm or representative has reviewed the FFI's documentation with respect to all of its owners and debt holders identified in Regulations section 1.1471-3(d)(6)(iv)(A)(2), and that the FFI meets all the requirements to be an owner-documented FFI. The FFI identified in Part I has also provided, or will provide, an FFI owner reporting statement of its owners that are specified U.S. persons and Form(s) W-9, with applicable waivers

Check box 24d if applicable (optional, see instructions).

d ☐ I certify that the entity identified on line 1 is a trust that does not have any contingent beneficiaries or designated classes with unidentified beneficiaries.

Part XI Restricted Distributor

25a ☐ (All restricted distributors check here) I certify that the entity identified in Part I:

- Operates as a distributor with respect to debt or equity interests of the restricted fund with respect to which this form is furnished;
- Provides investment services to at least 30 customers unrelated to each other and less than half of its customers are related to each other;
- Is required to perform AML due diligence procedures under the anti-money laundering laws of its country of organization (which is an FATF- compliant jurisdiction);
- Operates solely in its country of incorporation or organization, has no fixed place of business outside of that country, and has the same country of incorporation or organization as all members of its affiliated group, if any;
- Does not solicit customers outside its country of incorporation or organization;
- Has no more than $175 million in total assets under management and no more than $7 million in gross revenue on its income statement for the most recent accounting year;
- Is not a member of an expanded affiliated group that has more than $500 million in total assets under management or more than $20 million in gross revenue for its most recent accounting year on a combined or consolidated income statement; **and**
- Does not distribute any debt or securities of the restricted fund to specified U.S. persons, passive NFFEs with one or more substantial U.S. owners, or nonparticipating FFIs.

Check box 25b or 25c, whichever applies.

I further certify that with respect to all sales of debt or equity interests in the restricted fund with respect to which this form is furnished that are made after December 31, 2011, the entity identified in Part I:

b ☐ Has been bound by a distribution agreement that contained a general prohibition on the sale of debt or securities to U.S. entities and U.S. resident individuals and is currently bound by a distribution agreement that contains a prohibition of the sale of debt or securities to any specified U.S. person, passive NFFE with one or more substantial U.S. owners, or nonparticipating FFI.

c ☐ Is currently bound by a distribution agreement that contains a prohibition on the sale of debt or securities to any specified U.S. person,passive NFFE with one or more substantial U.S. owners, or nonparticipating FFI and, for all sales made prior to the time that such arestriction was included in its distribution agreement, has reviewed all accounts related to such sales in accordance with the proceduresidentified in Regulations section 1.1471-4(c) applicable to preexisting accounts and has redeemed or retired any, or caused the restrictedfund to transfer the securities to a distributor that is a participating FFI or reporting Model 1 FFI securities which were sold to specified U.S.persons, passive NFFEs with one or more substantial U.S. owners, or nonparticipating FFIs.

Part XII Nonreporting IGA FFI

26 ☐ I certify that the entity identified in Part I:
Meets the requirements to be considered a nonreporting financial institution pursuant to an applicable IGA between the United States and _____. The applicable IGA is a ☐ Model 1 IGA or a ☐ Model 2 IGA; and
is treated as a _____ under the provisions of the applicable IGA or Treasury regulations (if applicable, see instructions);
If you are a trustee documented trust or a sponsored entity, provide the name of the trustee or sponsor .
The trustee is: ☐ U.S. ☐ Foreign

Part XIII Foreign Government, Government of a U.S. Possession, or Foreign Central Bank of Issue

27 ☐ certify that the entity identified in Part I is the beneficial owner of the payment, and is not engaged in commercial financial activities of a type engaged in by an insurance company, custodial institution, or depository institution with respect to the payments, accounts, or obligations for which this form is submitted (except as permitted in Regulations section 1.1471-6(h)(2)).

Part XIV International Organization

Check box 28a or 28b, whichever applies.

28a ☐ I certify that the entity identified in Part I is an international organization described in section 7701(a)(18).

b ☐ I certify that the entity identified in Part I:

- Is comprised primarily of foreign governments;
- Is recognized as an intergovernmental or supranational organization under a foreign law similar to the International Organizations Immunities Act or that has in effect a headquarters agreement with a foreign government;
- The benefit of the entity's income does not inure to any private person; **and**
- Is the beneficial owner of the payment and is not engaged in commercial financial activities of a type engaged in by an insurance company, custodial institution, or depository institution with respect to the payments, accounts, or obligations for which this form is submitted (except as permitted in Regulations section 1.1471-6(h)(2)).

Part XV Exempt Retirement Plans

Check box 29a, b, c, d, e, or f, whichever applies.

29a ☐ I certify that the entity identified in Part I:

- Is established in a country with which the United States has an income tax treaty in force (see Part III if claiming treaty benefits);
- Is operated principally to administer or provide pension or retirement benefits; **and**
- Is entitled to treaty benefits on income that the fund derives from U.S. sources (or would be entitled to benefits if it derived any such income) as a resident of the other country which satisfies any applicable limitation on benefits requirement.

b ☐ I certify that the entity identified in Part I:

- Is organized for the provision of retirement, disability, or death benefits (or any combination thereof) to beneficiaries that are former employees of one or more employers in consideration for services rendered;
- No single beneficiary has a right to more than 5% of the FFI's assets;
- Is subject to government regulation and provides annual information reporting about its beneficiaries to the relevant tax authorities in the country in which the fund is established or operated; **and**
  - **(i)** Is generally exempt from tax on investment income under the laws of the country in which it is established or operates due to its status as a retirement or pension plan;
  - **(ii)** Receives at least 50% of its total contributions from sponsoring employers (disregarding transfers of assets from other plans described in this part, retirement and pension accounts described in an applicable Model 1 or Model 2 IGA, other retirement funds described in an applicable Model 1 or Model 2 IGA, or accounts described in Regulations section 1.1471-5(b)(2)(i)(A));
  - **(iii)** Either does not permit or penalizes distributions or withdrawals made before the occurrence of specified events related to retirement, disability, or death (except rollover distributions to accounts described in Regulations section 1.1471-5(b)(2)(i)(A) (referring to retirement and pension accounts), to retirement and pension accounts described in an applicable Model 1 or Model 2 IGA, or to other retirement funds described in this part or in an applicable Model 1 or Model 2 IGA); **or**
  - **(iv)** Limits contributions by employees to the fund by reference to earned income of the employee or may not exceed $50,000 annually.

c ☐ I certify that the entity identified in Part I:

- Is organized for the provision of retirement, disability, or death benefits (or any combination thereof) to beneficiaries that are former employees of one or more employers in consideration for services rendered;
- Has fewer than 50 participants;
- Is sponsored by one or more employers each of which is not an investment entity or passive NFFE;
- Employee and employer contributions to the fund (disregarding transfers of assets from other plans described in this part, retirement and pension accounts described in an applicable Model 1 or Model 2 IGA, or accounts described in Regulations section 1.1471-5(b)(2)(i)(A)) are limited by reference to earned income and compensation of the employee, respectively;
- Participants that are not residents of the country in which the fund is established or operated are not entitled to more than 20% of the fund's assets; **and**
- Is subject to government regulation and provides annual information reporting about its beneficiaries to the relevant tax authorities in the country in which the fund is established or operates.

Part XV Exempt Retirement Plans *(continued)*

d ☐ I certify that the entity identified in Part I is formed pursuant to a pension plan that would meet the requirements of section 401(a), other than the requirement that the plan be funded by a trust created or organized in the United States.

e ☐ I certify that the entity identified in Part I is established exclusively to earn income for the benefit of one or more retirement funds described in this part or in an applicable Model 1 or Model 2 IGA, or accounts described in Regulations section 1.1471-5(b)(2)(i)(A) (referring to retirement and pension accounts), or retirement and pension accounts described in an applicable Model 1 or Model 2 IGA.

f ☐ I certify that the entity identified in Part I:

• Is established and sponsored by a foreign government, international organization, central bank of issue, or government of a U.S. possession (each as defined in Regulations section 1.1471-6) or an exempt beneficial owner described in an applicable Model 1 or Model 2 IGA to provide retirement, disability, or death benefits to beneficiaries or participants that are current or former employees of the sponsor (or persons designated by such employees); **or**

• Is established and sponsored by a foreign government, international organization, central bank of issue, or government of a U.S. possession (each as defined in Regulations section 1.1471-6) or an exempt beneficial owner described in an applicable Model 1 or Model 2 IGA to provide retirement, disability, or death benefits to beneficiaries or participants that are not current or former employees of such sponsor, but are in consideration of personal services performed for the sponsor.

Part XVI Entity Wholly Owned by Exempt Beneficial Owners

30 ☐ I certify that the entity identified in Part I:

• Is an FFI solely because it is an investment entity;

• Each direct holder of an equity interest in the investment entity is an exempt beneficial owner described in Regulations section 1.1471-6 or in an applicable Model 1 or Model 2 IGA;

• Each direct holder of a debt interest in the investment entity is either a depository institution (with respect to a loan made to such entity) or an exempt beneficial owner described in Regulations section 1.1471-6 or an applicable Model 1 or Model 2 IGA.

• Has provided an owner reporting statement that contains the name, address, TIN (if any), chapter 4 status, and a description of the type of documentation provided to the withholding agent for every person that owns a debt interest constituting a financial account or direct equity interest in the entity; **and**

• Has provided documentation establishing that every owner of the entity is an entity described in Regulations section 1.1471-6(b), (c), (d), (e), (f) and/or (g) without regard to whether such owners are beneficial owners.

Part XVII Territory Financial Institution

31 ☐ I certify that the entity identified in Part I is a financial institution (other than an investment entity) that is incorporated or organized under the laws of a possession of the United States.

Part XVIII Excepted Nonfinancial Group Entity

32 ☐ I certify that the entity identified in Part I:.

• Is a holding company, treasury center, or captive finance company and substantially all of the entity's activities are functions described in Regulations section 1.1471-5(e)(5)(i)(C) through (E);

• Is a member of a nonfinancial group described in Regulations section 1.1471-5(e)(5)(i)(B);

• Is not a depository or custodial institution (other than for members of the entity's expanded affiliated group); **and**

• Does not function (or hold itself out) as an investment fund, such as a private equity fund, venture capital fund, leveraged buyout fund, or any investment vehicle with an investment strategy to acquire or fund companies and then hold interests in those companies as capital assets for investment purposes.

Part XIX Excepted Nonfinancial Start-Up Company

33 ☐ I certify that the entity identified in Part I:

• Was formed on (or, in the case of a new line of business, the date of board resolution approving the new line of business)_____ (date must be less than 24 months prior to date of payment);

• Is not yet operating a business and has no prior operating history or is investing capital in assets with the intent to operate a new line of business other than that of a financial institution or passive NFFE;

• Is investing capital into assets with the intent to operate a business other than that of a financial institution; **and**

• Does not function (or hold itself out) as an investment fund, such as a private equity fund, venture capital fund, leveraged buyout fund, or any investment vehicle whose purpose is to acquire or fund companies and then hold interests in those companies as capital assets for investment purposes.

Part XX Excepted Nonfinancial Entity in Liquidation or Bankruptcy

34 ☐ I certify that the entity identified in Part I:

• Filed a plan of liquidation, filed a plan of reorganization, or filed for bankruptcy on _____;

• During the past 5 years has not been engaged in business as a financial institution or acted as a passive NFFE;

• Is either liquidating or emerging from a reorganization or bankruptcy with the intent to continue or recommence operations as a nonfinancial entity; **and**

• Has, or will provide, documentary evidence such as a bankruptcy filing or other public documentation that supports its claim if it remains in bankruptcy or liquidation for more than 3 years.

Part XXI 501(c) Organization

35 ☐ I certify that the entity identified in Part I is a 501(c) organization that:

- Has been issued a determination letter from the IRS that is currently in effect concluding that the payee is a section 501(c) organization that is dated_____ ; **or**
- Has provided a copy of an opinion from U.S. counsel certifying that the payee is a section 501(c) organization (without regard to whether the payee is a foreign private foundation)

Part XXII Nonprofit Organization

36 ☐ I certify that the entity identified in Part I is a nonprofit organization that meets the following requirements.

- The entity is established and maintained in its country of residence exclusively for religious, charitable, scientific, artistic, cultural or educational purposes;The entity is exempt from income tax in its country of residence;
- The entity has no shareholders or members who have a proprietary or beneficial interest in its income or assets;
- Neither the applicable laws of the entity's country of residence nor the entity's formation documents permit any income or assets of the entity to be distributed to, or applied for the benefit of, a private person or noncharitable entity other than pursuant to the conduct of the entity's charitable activities or as payment of reasonable compensation for services rendered or payment representing the fair market value of property which the entity has purchased; **and**
- The applicable laws of the entity's country of residence or the entity's formation documents require that, upon the entity's liquidation or dissolution, all of its assets be distributed to an entity that is a foreign government, an integral part of a foreign government, a controlled entity of a foreign government, or another organization that is described in this part or escheats to the government of the entity's country of residence or any political subdivision thereof

Part XXIII Publicly Traded NFFE or NFFE Affiliate of a Publicly Traded Corporation

Check box 37a or 37b, whichever applies.Check box 37a or 37b, whichever applies.

37a ☐ I certify that:

- The entity identified in Part I is a foreign corporation that is not a financial institution; **and**
- The stock of such corporation is regularly traded on one or more established securities markets, including_____(name one securities exchange upon which the stock is regularly traded).

b ☐ I certify that:

- The entity identified in Part I is a foreign corporation that is not a financial institution;
- The entity identified in Part I is a member of the same expanded affiliated group as an entity the stock of which is regularly traded on an established securities market;
- The name of the entity, the stock of which is regularly traded on an established securities market, is _____;**and**
- The name of the securities market on which the stock is regularly traded is_____.

Part XXIV Excepted Territory NFFE

38 ☐ I certify that:

- The entity identified in Part I is an entity that is organized in a possession of the United States;
- The entity identified in Part I:
  - **(i)** Does not accept deposits in the ordinary course of a banking or similar business;
  - **(ii)** Does not hold, as a substantial portion of its business, financial assets for the account of others; **or**
  - **(iii)** Is not an insurance company (or the holding company of an insurance company) that issues or is obligated to make payments with respect to a financial account**; and**
- All of the owners of the entity identified in Part I are bona fide residents of the possession in which the NFFE is organized or incorporated.

Part XXV Active NFFE

39 ☐ I certify that:

- The entity identified in Part I is a foreign entity that is not a financial institution;
- Less than 50% of such entity's gross income for the preceding calendar year is passive income; **and**
- Less than 50% of the assets held by such entity are assets that produce or are held for the production of passive income (calculated as a weighted average of the percentage of passive assets measured quarterly) (see instructions for the definition of passive income)

Part XXVI Passive NFFE

40a ☐ I certify that the entity identified in Part I is a foreign entity that is not a financial institution (other than an investment entity organized in a possession of the United States) and is not certifying its status as a publicly traded NFFE (or affiliate), excepted territory NFFE, active NFFE, direct reporting NFFE, or sponsored direct reporting NFFE.

Check box 40b or 40c, whichever applies.

b ☐ I further certify that the entity identified in Part I has no substantial U.S. owners (or, if applicable, no controlling U.S. persons); **or**

c ☐ I further certify that the entity identified in Part I has provided the name, address, and TIN of each substantial U.S. owner (or, if applicable, controlling U.S. person) of the NFFE in Part XXIX

Part XXVII Excepted Inter-Affiliate FFI

41 ☐ I certify that the entity identified in Part I:

- Is a member of an expanded affiliated group;
- Does not maintain financial accounts (other than accounts maintained for members of its expanded affiliated group);
- Does not make withholdable payments to any person other than to members of its expanded affiliated group;
- Does not hold an account (other than depository accounts in the country in which the entity is operating to pay for expenses) with or receive payments from any withholding agent other than a member of its expanded affiliated group; **and**
- Has not agreed to report under Regulations section 1.1471-4(d)(2)(ii)(C) or otherwise act as an agent for chapter 4 purposes on behalf of any financial institution, including a member of its expanded affiliated group

Part XXVIII Sponsored Direct Reporting NFFE (see instructions for when this is permitted)

42 Name of sponsoring entity:_____

43 ☐ I certify that the entity identified in Part I is a direct reporting NFFE that is sponsored by the entity identified on line 42.

Part XXIX Substantial U.S. Owners of Passive NFFE

As required by Part XXVI, provide the name, address, and TIN of each substantial U.S. owner of the NFFE. Please see the instructions for a definition of substantial U.S. owner. If providing the form to an FFI treated as a reporting Model 1 FFI or reporting Model 2 FFI, an NFFE may also use this part for reporting its controlling U.S. persons under an applicable IGA.

Name	Address	TIN

Part XXX Certification

Under penalties of perjury, I declare that I have examined the information on this form and to the best of my knowledge and belief it is true, correct, and complete. I further certify under penalties of perjury that:

- The entity identified on line 1 of this form is the beneficial owner of all the income to which this form relates, is using this form to certify its status for chapter 4 purposes, or is a merchant submitting this form for purposes of section 6050W;
- The entity identified on line 1 of this form is not a U.S. person;
- The income to which this form relates is: (a) not effectively connected with the conduct of a trade or business in the United States, (b) effectively connected but is not subject to tax under an income tax treaty, or (c) the partner's share of a partnership's effectively connected income; **and**
- For broker transactions or barter exchanges, the beneficial owner is an exempt foreign person as defined in the instructions.

Furthermore, I authorize this form to be provided to any withholding agent that has control, receipt, or custody of the income of which the entity on line 1 is the beneficial owner or any withholding agent that can disburse or make payments of the income of which the entity on line 1 is the beneficial owner.

I agree that I will submit a new form within 30 days if any certification on this form becomes incorrect.

Sign Here ▶

Signature of individual authorized to sign for beneficial owner	Print Name	Date (MM-DD-YYYY)

☐ **I certify that I have the capacity to sign for the entity identified on line 1 of this form.**

FORM E

W-9
(*U.S. Persons – individuals or entities*)

(see attached)

Form **W-9**

(Rev. October 2018) Department of the Treasury Internal Revenue Service

Request for Taxpayer Identification Number and Certification

► **Go to *www.irs.gov/FormW9* for instructions and the latest information.**

Give Form to the requester. Do not send to the IRS.

Print or type. See **Specific Instructions** on page 3.

1 Name (as shown on your income tax return). Name is required on this line; do not leave this line blank.

2 Business name/disregarded entity name, if different from above

3 Check appropriate box for federal tax classification of the person whose name is entered on line 1. Check only **one** of the following seven boxes.

☐ Individual/sole proprietor or ☐ C Corporation ☐ S Corporation ☐ Partnership ☐ Trust/estate single-member LLC

☐ Limited liability company. Enter the tax classification (C=C corporation, S=S corporation, P=Partnership) ► _____

Note: Check the appropriate box in the line above for the tax classification of the single-member owner. Do not check LLC if the LLC is classified as a single-member LLC that is disregarded from the owner unless the owner of the LLC is another LLC that is **not** disregarded from the owner for U.S. federal tax purposes. Otherwise, a single-member LLC that is disregarded from the owner should check the appropriate box for the tax classification of its owner.

☐ Other (see instructions) ►

4 Exemptions (codes apply only to certain entities, not individuals; see instructions on page 3):

Exempt payee code (if any)_____

Exemption from FATCA reporting code (if any)_____

(Applies to accounts maintained outside the U.S.)

5 Address (number, street, and apt. or suite no.) See instructions.

Requester's name and address (optional)

6 City, state, and ZIP code

7 List account number(s) here (optional)

Part I Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. The TIN provided must match the name given on line 1 to avoid backup withholding. For individuals, this is generally your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the instructions for Part I, later. For other entities, it is your employer identification number (EIN). If you do not have a number, see *How to get a TIN*, later.

Note: If the account is in more than one name, see the instructions for line 1. Also see *What Name and Number To Give the Requester* for guidelines on whose number to enter.

Social security number

			-			-			

or

Employer identification number

		-							

Part II Certification

Under penalties of perjury, I certify that:

1. The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me); and
2. I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding; and
3. I am a U.S. citizen or other U.S. person (defined below); and
4. The FATCA code(s) entered on this form (if any) indicating that I am exempt from FATCA reporting is correct.

Certification instructions. You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the certification, but you must provide your correct TIN. See the instructions for Part II, later.

Sign Here **Signature of U.S. Person ►** **Date ►**

General Instructions

Section references are to the Internal Revenue Code unless otherwise noted.

Future developments. For the latest information about developments related to Form W-9 and its instructions, such as legislation enacted after they were published, go to *www.irs.gov/FormW9.*

Purpose of Form

An individual or entity (Form W-9 requester) who is required to file an information return with the IRS must obtain your correct taxpayer identification number (TIN) which may be your social security number (SSN), individual taxpayer identification number (ITIN), adoption taxpayer identification number (ATIN), or employer identification number (EIN), to report on an information return the amount paid to you, or other amount reportable on an information return. Examples of information returns include, but are not limited to, the following.

- Form 1099-INT (interest earned or paid)
- Form 1099-DIV (dividends, including those from stocks or mutual funds)
- Form 1099-MISC (various types of income, prizes, awards, or gross proceeds)
- Form 1099-B (stock or mutual fund sales and certain other transactions by brokers)
- Form 1099-S (proceeds from real estate transactions)
- Form 1099-K (merchant card and third party network transactions)
- Form 1098 (home mortgage interest), 1098-E (student loan interest),1098-T (tuition)
- Form 1099-C (canceled debt)
- Form 1099-A (acquisition or abandonment of secured property)

Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN.

If you do not return Form W-9 to the requester with a TIN, you might be subject to backup withholding. See What is backup withholding, later.

By signing the filled-out form, you:

1. Certify that the TIN you are giving is correct (or you are waiting for a number to be issued),

2. Certify that you are not subject to backup withholding, or

3. Claim exemption from backup withholding if you are a U.S. exempt payee. If applicable, you are also certifying that as a U.S. person, your allocable share of any partnership income from a U.S. trade or business is not subject to the withholding tax on foreign partners' share of effectively connected income, and

4. Certify that FATCA code(s) entered on this form (if any) indicating that you are exempt from the FATCA reporting, is correct. See *What is FATCA reporting*, later, for further information.

Note: If you are a U.S. person and a requester gives you a form other than Form W-9 to request your TIN, you must use the requester's form if it is substantially similar to this Form W-9.

Definition of a U.S. person. For federal tax purposes, you are considered a U.S. person if you are:

- An individual who is a U.S. citizen or U.S. resident alien;
- A partnership, corporation, company, or association created or organized in the United States or under the laws of the United States;
- An estate (other than a foreign estate); or
- A domestic trust (as defined in Regulations section 301.7701-7).

Special rules for partnerships. Partnerships that conduct a trade or business in the United States are generally required to pay a withholding tax under section 1446 on any foreign partners' share of effectively connected taxable income from such business. Further, in certain cases where a Form W-9 has not been received, the rules under section 1446 require a partnership to presume that a partner is a foreign person, and pay the section 1446 withholding tax. Therefore, if you are a U.S. person that is a partner in a partnership conducting a trade or business in the United States, provide Form W-9 to the partnership to establish your U.S. status and avoid section 1446 withholding on your share of partnership income.

In the cases below, the following person must give Form W-9 to the partnership for purposes of establishing its U.S. status and avoiding withholding on its allocable share of net income from the partnership conducting a trade or business in the United States.

- In the case of a disregarded entity with a U.S. owner, the U.S. owner of the disregarded entity and not the entity;
- In the case of a grantor trust with a U.S. grantor or other U.S. owner, generally, the U.S. grantor or other U.S. owner of the grantor trust and not the trust; and
- In the case of a U.S. trust (other than a grantor trust), the U.S. trust (other than a grantor trust) and not the beneficiaries of the trust.

Foreign person. If you are a foreign person or the U.S. branch of a foreign bank that has elected to be treated as a U.S. person, do not use Form W-9. Instead, use the appropriate Form W-8 or Form 8233 (see Pub. 515, Withholding of Tax on Nonresident Aliens and Foreign Entities).

Nonresident alien who becomes a resident alien. Generally, only a nonresident alien individual may use the terms of a tax treaty to reduce or eliminate U.S. tax on certain types of income. However, most tax treaties contain a provision known as a "saving clause." Exceptions specified in the saving clause may permit an exemption from tax to continue for certain types of income even after the payee has otherwise become a U.S. resident alien for tax purposes.

If you are a U.S. resident alien who is relying on an exception contained in the saving clause of a tax treaty to claim an exemption from U.S. tax on certain types of income, you must attach a statement to Form W-9 that specifies the following five items.

1. The treaty country. Generally, this must be the same treaty under which you claimed exemption from tax as a nonresident alien.

2. The treaty article addressing the income.

3. The article number (or location) in the tax treaty that contains the saving clause and its exceptions.

4. The type and amount of income that qualifies for the exemption from tax.

5. Sufficient facts to justify the exemption from tax under the terms of the treaty article.

Example. Article 20 of the U.S.-China income tax treaty allows an exemption from tax for scholarship income received by a Chinese student temporarily present in the United States. Under U.S. law, this student will become a resident alien for tax purposes if his or her stay in the United States exceeds 5 calendar years. However, paragraph 2 of the first Protocol to the U.S.-China treaty (dated April 30, 1984) allows the provisions of Article 20 to continue to apply even after the Chinese student becomes a resident alien of the United States. A Chinese student who qualifies for this exception (under paragraph 2 of the first protocol) and is relying on this exception to claim an exemption from tax on his or her scholarship or fellowship income would attach to Form W-9 a statement that includes the information described above to support that exemption.

If you are a nonresident alien or a foreign entity, give the requester the appropriate completed Form W-8 or Form 8233.

Backup Withholding

What is backup withholding? Persons making certain payments to you must under certain conditions withhold and pay to the IRS 24% of such payments. This is called "backup withholding." Payments that may be subject to backup withholding include interest, tax-exempt interest, dividends, broker and barter exchange transactions, rents, royalties, nonemployee pay, payments made in settlement of payment card and third party network transactions, and certain payments from fishing boat operators. Real estate transactions are not subject to backup withholding.

You will not be subject to backup withholding on payments you receive if you give the requester your correct TIN, make the proper certifications, and report all your taxable interest and dividends on your tax return.

Payments you receive will be subject to backup withholding if:

1. You do not furnish your TIN to the requester,

2. You do not certify your TIN when required (see the instructions for Part II for details),

3. The IRS tells the requester that you furnished an incorrect TIN,

4. The IRS tells you that you are subject to backup withholding because you did not report all your interest and dividends on your tax return (for reportable interest and dividends only), or

5. You do not certify to the requester that you are not subject to backup withholding under 4 above (for reportable interest and dividend accounts opened after 1983 only).

Certain payees and payments are exempt from backup withholding. See *Exempt payee code*, later, and the separate Instructions for the Requester of Form W-9 for more information.

Also see *Special rules for partnerships*, earlier.

What is FATCA Reporting?

The Foreign Account Tax Compliance Act (FATCA) requires a participating foreign financial institution to report all United States account holders that are specified United States persons. Certain payees are exempt from FATCA reporting. See *Exemption from FATCA reporting code*, later, and the Instructions for the Requester of Form W-9 for more information.

Updating Your Information

You must provide updated information to any person to whom you claimed to be an exempt payee if you are no longer an exempt payee and anticipate receiving reportable payments in the future from this person. For example, you may need to provide updated information if you are a C corporation that elects to be an S corporation, or if you no longer are tax exempt. In addition, you must furnish a new Form W-9 if the name or TIN changes for the account; for example, if the grantor of a grantor trust dies.

Penalties

Failure to furnish TIN. If you fail to furnish your correct TIN to a requester, you are subject to a penalty of $50 for each such failure unless your failure is due to reasonable cause and not to willful neglect.

Civil penalty for false information with respect to withholding. If you make a false statement with no reasonable basis that results in no backup withholding, you are subject to a $500 penalty.

Criminal penalty for falsifying information. Willfully falsifying certifications or affirmations may subject you to criminal penalties including fines and/or imprisonment.

Misuse of TINs. If the requester discloses or uses TINs in violation of federal law, the requester may be subject to civil and criminal penalties.

Specific Instructions

Line 1

You must enter one of the following on this line; **do not** leave this line blank. The name should match the name on your tax return.

If this Form W-9 is for a joint account (other than an account maintained by a foreign financial institution (FFI)), list first, and then circle, the name of the person or entity whose number you entered in Part I of Form W-9. If you are providing Form W-9 to an FFI to document a joint account, each holder of the account that is a U.S. person must provide a Form W-9.

a. **Individual.** Generally, enter the name shown on your tax return. If you have changed your last name without informing the Social Security Administration (SSA) of the name change, enter your first name, the last name as shown on your social security card, and your new last name.

Note: ITIN applicant: Enter your individual name as it was entered on your Form W-7 application, line 1a. This should also be the same as the name you entered on the Form 1040/1040A/1040EZ you filed with your application.

b. **Sole proprietor or single-member LLC.** Enter your individual name as shown on your 1040/1040A/1040EZ on line 1. You may enter your business, trade, or "doing business as" (DBA) name on line 2.

c. **Partnership, LLC that is not a single-member LLC, C corporation, or S corporation.** Enter the entity's name as shown on the entity's tax return on line 1 and any business, trade, or DBA name on line 2.

d. **Other entities.** Enter your name as shown on required U.S. federal tax documents on line 1. This name should match the name shown on the charter or other legal document creating the entity. You may enter any business, trade, or DBA name on line 2.

e. **Disregarded entity.** For U.S. federal tax purposes, an entity that is disregarded as an entity separate from its owner is treated as a "disregarded entity." See Regulations section 301.7701-2(c)(2)(iii). Enter the owner's name on line 1. The name of the entity entered on line 1 should never be a disregarded entity. The name on line 1 should be the name shown on the income tax return on which the income should be reported. For example, if a foreign LLC that is treated as a disregarded entity for U.S. federal tax purposes has a single owner that is a U.S. person, the U.S. owner's name is required to be provided on line 1. If the direct owner of the entity is also a disregarded entity, enter the first owner that is not disregarded for federal tax purposes. Enter the disregarded entity's name on line 2, "Business name/disregarded entity name." If the owner of the disregarded entity is a foreign person, the owner must complete an appropriate Form W-8 instead of a Form W-9. This is the case even if the foreign person has a U.S. TIN.

Line 2

If you have a business name, trade name, DBA name, or disregarded entity name, you may enter it on line 2.

Line 3

Check the appropriate box on line 3 for the U.S. federal tax classification of the person whose name is entered on line 1. Check only one box on line 3.

IF the entity/person on line 1 is a(n)	THEN check the box for
• Corporation	Corporation
• Individual • Sole proprietorship, or • Single-member limited liability company (LLC) owned by an individual and disregarded for U.S. federal tax purposes.	Individual/sole proprietor or singlemember LLC
• LLC treated as a partnership for U.S. federal tax purposes, • LLC that has filed Form 8832 or 2553 to be taxed as a corporation, or • LLC that is disregarded as an entity separate from its owner but the owner is another LLC that is not disregarded for U.S. federal tax purposes.	Limited liability company and enter the appropriate tax classification. (P= Partnership; C= C corporation; or S= S corporation)
• Partnership	Partnership
• Trust/estate	Trust/estate

Line 4, Exemptions

If you are exempt from backup withholding and/or FATCA reporting, enter in the appropriate space on line 4 any code(s) that may apply to you.

Exempt payee code.

- Generally, individuals (including sole proprietors) are not exempt from backup withholding.
- Except as provided below, corporations are exempt from backup withholding for certain payments, including interest and dividends.
- Corporations are not exempt from backup withholding for payments made in settlement of payment card or third party network transactions.
- Corporations are not exempt from backup withholding with respect to attorneys' fees or gross proceeds paid to attorneys, and corporations that provide medical or health care services are not exempt with respect to payments reportable on Form 1099-MISC.

The following codes identify payees that are exempt from backup withholding. Enter the appropriate code in the space in line 4.

1—An organization exempt from tax under section 501(a), any IRA, or a custodial account under section 403(b)(7) if the account satisfies the requirements of section 401(f)(2)

2—The United States or any of its agencies or instrumentalities

3—A state, the District of Columbia, a U.S. commonwealth or possession, or any of their political subdivisions or instrumentalities

4—A foreign government or any of its political subdivisions, agencies, or instrumentalities

5—A corporation

6—A dealer in securities or commodities required to register in the United States, the District of Columbia, or a U.S. commonwealth or possession

7—A futures commission merchant registered with the Commodity Futures Trading Commission

8—A real estate investment trust

9—An entity registered at all times during the tax year under the Investment Company Act of 1940

10—A common trust fund operated by a bank under section 584(a)

11—A financial institution

12—A middleman known in the investment community as a nominee or custodian

13—A trust exempt from tax under section 664 or described in section 4947

The following chart shows types of payments that may be exempt from backup withholding. The chart applies to the exempt payees listed above, 1 through 13.

IF the payment is for . . .	THEN the payment is exempt for . . .
Interest and dividend payments	All exempt payees except for 7
Broker transactions	Exempt payees 1 through 4 and 6 through 11 and all C corporations. S corporations must not enter an exempt payee code because they are exempt only for sales of noncovered securities acquired prior to 2012.
Barter exchange transactions and patronage dividends	Exempt payees 1 through 4
Payments over $600 required to be reported and direct sales over $5,0001	Generally, exempt payees 1 through 5[2]
Payments made in settlement of payment card or third party network transactions	Exempt payees 1 through 4

[1] See Form 1099-MISC, Miscellaneous Income, and its instructions.

[2] However, the following payments made to a corporation and reportable on Form 1099-MISC are not exempt from backup withholding: medical and health care payments, attorneys' fees, gross proceeds paid to an attorney reportable under section 6045(f), and payments for services paid by a federal executive agency.

Exemption from FATCA reporting code. The following codes identify payees that are exempt from reporting under FATCA. These codes apply to persons submitting this form for accounts maintained outside of the United States by certain foreign financial institutions. Therefore, if you are only submitting this form for an account you hold in the United States, you may leave this field blank. Consult with the person requesting this form if you are uncertain if the financial institution is subject to these requirements. A requester may indicate that a code is not required by providing you with a Form W-9 with "Not Applicable" (or any similar indication) written or printed on the line for a FATCA exemption code.

A—An organization exempt from tax under section 501(a) or any individual retirement plan as defined in section 7701(a)(37)

B—The United States or any of its agencies or instrumentalities

C—A state, the District of Columbia, a U.S. commonwealth or possession, or any of their political subdivisions or instrumentalities

D—A corporation the stock of which is regularly traded on one or more established securities markets, as described in Regulations section 1.1472-1(c)(1)(i)

E—A corporation that is a member of the same expanded affiliated group as a corporation described in Regulations section 1.1472-1(c)(1)(i)

F—A dealer in securities, commodities, or derivative financial instruments (including notional principal contracts, futures, forwards, and options) that is registered as such under the laws of the United States or any state

G—A real estate investment trust

H—A regulated investment company as defined in section 851 or an entity registered at all times during the tax year under the Investment Company Act of 1940

I—A common trust fund as defined in section 584(a) J—A bank as defined in section 581

K—A broker

L—A trust exempt from tax under section 664 or described in section 4947(a)(1)

M—A tax exempt trust under a section 403(b) plan or section 457(g) plan

Note: You may wish to consult with the financial institution requesting this form to determine whether the FATCA code and/or exempt payee code should be completed.

Line 5

Enter your address (number, street, and apartment or suite number). This is where the requester of this Form W-9 will mail your information returns. If this address differs from the one the requester already has on file, write NEW at the top. If a new address is provided, there is still a chance the old address will be used until the payor changes your address in their records.

Line 6

Enter your city, state, and ZIP code.

Part I. Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. If you are a resident alien and you do not have and are not eligible to get an SSN, your TIN is your IRS individual taxpayer identification number (ITIN). Enter it in the social security number box. If you do not have an ITIN, see *How to get a TIN* below.

If you are a sole proprietor and you have an EIN, you may enter either your SSN or EIN.

If you are a single-member LLC that is disregarded as an entity separate from its owner, enter the owner's SSN (or EIN, if the owner has one). Do not enter the disregarded entity's EIN. If the LLC is classified as a corporation or partnership, enter the entity's EIN.

Note: See *What Name and Number To Give the Requester,* later, for further clarification of name and TIN combinations.

How to get a TIN. If you do not have a TIN, apply for one immediately. To apply for an SSN, get Form SS-5, Application for a Social Security Card, from your local SSA office or get this form online at *www.SSA.gov.* You may also get this form by calling 1-800-772-1213. Use Form W-7, Application for IRS Individual Taxpayer Identification Number, to apply for an ITIN, or Form SS-4, Application for Employer Identification Number, to apply for an EIN. You can apply for an EIN online by accessing the IRS website at *www.irs.gov/Businesses* and clicking on Employer Identification Number (EIN) under Starting a Business. Go to *www.irs.gov/Forms* to view, download, or print Form W-7 and/or Form SS-4. Or, you can go to www.irs.gov/OrderForms to place an order and have Form W-7 and/or SS-4 mailed to you within 10 business days.

If you are asked to complete Form W-9 but do not have a TIN, apply for a TIN and write "Applied For" in the space for the TIN, sign and date the form, and give it to the requester. For interest and dividend payments, and certain payments made with respect to readily tradable instruments, generally you will have 60 days to get a TIN and give it to the requester before you are subject to backup withholding on payments. The 60-day rule does not apply to other types of payments. You will be subject to backup withholding on all such payments until you provide your TIN to the requester.

Note: Entering "Applied For" means that you have already applied for a TIN or that you intend to apply for one soon.

Caution: A disregarded U.S. entity that has a foreign owner must use the appropriate Form W-8.

Part II. Certification

To establish to the withholding agent that you are a U.S. person, or resident alien, sign Form W-9. You may be requested to sign by the withholding agent even if item 1, 4, or 5 below indicates otherwise.

For a joint account, only the person whose TIN is shown in Part I should sign (when required). In the case of a disregarded entity, the person identified on line 1 must sign. Exempt payees, see Exempt payee code, earlier.

Signature requirements. Complete the certification as indicated in items 1 through 5 below.

1. Interest, dividend, and barter exchange accounts opened before 1984 and broker accounts considered active during 1983. You must give your correct TIN, but you do not have to sign the certification.

2. Interest, dividend, broker, and barter exchange accounts opened after 1983 and broker accounts considered inactive during 1983. You must sign the certification or backup withholding will apply. If you are subject to backup withholding and you are merely providing your correct TIN to the requester, you must cross out item 2 in the certification before signing the form.

3. Real estate transactions. You must sign the certification. You may cross out item 2 of the certification.

4. Other payments. You must give your correct TIN, but you do not have to sign the certification unless you have been notified that you have previously given an incorrect TIN. "Other payments" include payments made in the course of the requester's trade or business for rents, royalties, goods (other than bills for merchandise), medical and health care services (including payments to corporations), payments to a nonemployee for services, payments made in settlement of payment card and third party network transactions, payments to certain fishing boat crew members and fishermen, and gross proceeds paid to attorneys (including payments to corporations).

5. Mortgage interest paid by you, acquisition or abandonment of secured property, cancellation of debt, qualified tuition program payments (under section 529), ABLE accounts (under section 529A), IRA, Coverdell ESA, Archer MSA or HSA contributions or distributions, and pension distributions. You must give your correct TIN, but you do not have to sign the certification.

What Name and Number To Give the Requester

For this Type of account:	Give name and SSN of:
1. Individual	The individual
2. Two or more individuals (Joint account) other than an account maintained by an FFI	The actual owner of the account or, if combined funds, the first individual on the account[1]
3. Two or more U.S. persons (joint account maintained by an FFI)	Each holder of the account
4. Custodial account of a minor (Uniform Gift to Minors Act)	The Minor[2]
5. a. The usual revocable savings trust (grantor is also trustee) b. So-called trust account that is not a legal or valid trust under state law	The grantor-trustee[1] The actual owner[1]
6. Sole proprietorship or disregarded entity owned by an individual	The owner[3]
7. Grantor trust filing under Optional Form 1099 Filing Method 1 (see Regulations section 1.671-4(b)(2)(i) (A))	The grantor*
For this Type of account:	**Give name and SSN of:**
8. Disregarded entity not owned by an individual	The owner
9. A valid trust, estate, or pension trust	Legal entity[4]
10. Corporation or LLC electing corporate status on Form 8832 or Form 2553	The corporation
11. Association, club, religious, charitable, educational, or other taxexempt organization	The organization
12. Partnership or multi-member LLC	The partnership
13. A broker or registered nominee	The broker or nominee
14. Account with the Department of Agriculture in the name of a public entity (such as a state or local government, school district, or prison) that receives agricultural program payments	The public entity
15. Grantor trust filing under the Form 1041 Filing Method or the Optional Form 1099 Filing Method 2 (see Regulations section 1.671-4(b)(2)(i)(B)	The trust

[1] List first and circle the name of the person whose number you furnish.If only one person on a joint account has an SSN, that person's number must be furnished.

[2] Circle the minor's name and furnish the minor's SSN.

[3] You must show your individual name and you may also enter your business or DBA name on the "Business name/disregarded entity" name line. You may use either your SSN or EIN (if you have one), but the IRS encourages you to use your SSN.

[4] List first and circle the name of the trust, estate, or pension trust. (Do not furnish the TIN of the personal representative or trustee unless the legal entity itself is not designated in the account title.) Also see *Special rules for partnerships,* earlier.

***Note:** The grantor also must provide a Form W-9 to trustee of trust.

Note: If no name is circled when more than one name is listed, the number will be considered to be that of the first name listed.

Secure Your Tax Records From Identity Theft

Identity theft occurs when someone uses your personal information such as your name, SSN, or other identifying information, without your permission, to commit fraud or other crimes. An identity thief may use your SSN to get a job or may file a tax return using your SSN to receive a refund.

To reduce your risk:

- Protect your SSN,
- Ensure your employer is protecting your SSN, and
- Be careful when choosing a tax preparer.

If your tax records are affected by identity theft and you receive a notice from the IRS, respond right away to the name and phone number printed on the IRS notice or letter.

If your tax records are not currently affected by identity theft but you think you are at risk due to a lost or stolen purse or wallet, questionable credit card activity or credit report, contact the IRS Identity Theft Hotline at 1-800-908-4490 or submit Form 14039.

For more information, see Pub. 5027, Identity Theft Information for Taxpayers.

Victims of identity theft who are experiencing economic harm or a systemic problem, or are seeking help in resolving tax problems that have not been resolved through normal channels, may be eligible for Taxpayer Advocate Service (TAS) assistance. You can reach TAS by calling the TAS toll-free case intake line at 1-877-777-4778 or TTY/TDD 1-800-829-4059.

Protect yourself from suspicious emails or phishing schemes. Phishing is the creation and use of email and websites designed to mimic legitimate business emails and websites. The most common act is sending an email to a user falsely claiming to be an established legitimate enterprise in an attempt to scam the user into surrendering private information that will be used for identity theft.Form W-9 (Rev. 10-2018)

The IRS does not initiate contacts with taxpayers via emails. Also, the IRS does not request personal detailed information through email or ask taxpayers for the PIN numbers, passwords, or similar secret access information for their credit card, bank, or other financial accounts.

If you receive an unsolicited email claiming to be from the IRS, forward this message to *phishing@irs.gov*. You may also report misuse of the IRS name, logo, or other IRS property to the Treasury Inspector General for Tax Administration (TIGTA) at 1-800-366-4484. You can forward suspicious emails to the Federal Trade Commission at *spam@uce.gov* or report them at *www.ftc.gov/complaint*. You can contact the FTC at *www.ftc.gov/idtheft* or 877-IDTHEFT (877-438-4338). If you have been the victim of identity theft, see *www.IdentityTheft.gov* and Pub. 5027.

Visit *www.irs.gov/IdentityTheft* to learn more about identity theft and how to reduce your risk.

Privacy Act Notice

Section 6109 of the Internal Revenue Code requires you to provide your correct TIN to persons (including federal agencies) who are required to file information returns with the IRS to report interest, dividends, or certain other income paid to you; mortgage interest you paid; the acquisition or abandonment of secured property; the cancellation of debt; or contributions you made to an IRA, Archer MSA, or HSA. The person collecting this form uses the information on the form to file information returns with the IRS, reporting the above information. Routine uses of this information include giving it to the Department of Justice for civil and criminal litigation and to cities, states, the District of Columbia, and U.S. commonwealths and possessions for use in administering their laws. The information also may be disclosed to other countries under a treaty, to federal and state agencies to enforce civil and criminal laws, or to federal law enforcement and intelligence agencies to combat terrorism. You must provide your TIN whether or not you are required to file a tax return. Under section 3406, payers must generally withhold a percentage of taxable interest, dividend, and certain other payments to a payee who does not give a TIN to the payer. Certain penalties may also apply for providing false or fraudulent information.

ASCEND WELLNESS HOLDINGS, LLC (the "Company")

CONVERTIBLE NOTES OFFERING
INSTRUCTIONS

After carefully reading in their entirety (1) the Convertible Note Purchase Agreement, (2) the Schedule, Forms and Exhibits attached to and incorporated in the Convertible Note Purchase Agreement, as listed below and (3) the Fourth Amended and Restated Limited Liability Company Agreement of the Company, a person or entity wishing to subscribe for a Convertible Note of the Company and to lend funds to the Company is asked to complete the steps referenced on the following page.

Investors with questions regarding this investment may contact Sarah Levy, 1411 Broadway, 16th Floor, New York, NY 10018, slevy@awholdings.com.

Upon acceptance of your Convertible Note Purchase Agreement by the Company in accordance with the terms thereof, copies of all submitted documents countersigned by the Company and a signed completed original Note will be returned to you.

The following are the Schedules, Form and Exhibits attached to and incorporated in the Convertible Note Purchase Agreement by reference and deemed to be a part hereof:

Schedule I	-	Schedule of Purchasers
Exhibit A	-	Form of Note
Exhibit B	-	Risk Factors
Exhibit C	-	Term Sheet
Exhibit D	-	Wire Instructions
Form A	-	Canadian Accredited Investor Status Certificate
Form B	-	International Jurisdiction Certificate
Form C	-	U.S. Accredited Investor Certificate
Form D	-	W-8BEN and W-8BEN-E
Form E	-	W-9

HAVE YOU COMPLETED THIS SUBSCRIPTION AGREEMENT PROPERLY?

The following items in this Subscription Agreement (as defined herein) must be completed. Please initial each box.

All Investors

	All Investors (as defined herein) must complete the information in the boxes on pages i and ii.
	All Investors must sign the execution page of this Subscription Agreement on page i.
	All Investors must provide payment in immediately available funds to the Company via the wire instructions provided on Exhibit D.

U.S. Investors

	Investors who are in the United States, a U.S. Person or purchasing securities for the account or benefit of a person or persons that is/are in the United States or U.S. Persons must complete the U.S. Accredited Investor Certificate in Form C and a W-9 set out in Form E.

Non-U.S. Investors

	Investors relying on the "Accredited Investor" exemption under Section 2.3 of National Instrument 45-106 – Prospectus Exemptions of the Canadian Securities Administrators ("NI 45-106") (except those that are not resident in a province of Canada and not otherwise subject to Canadian Securities Laws (as defined herein)) must complete the Canadian Accredited Investor Status Certificate in Form A, indicating which category is applicable and sign on page A-5.
	Investors relying on categories (j), (k) or (l) of the "Accredited Investor" exemption (and that do not meet the higher financial asset threshold set out in category (j.1) of Form A) must complete Exhibit "I" to Form A and sign on page A-7.
	Investors resident outside of Canada and the United States must complete Form B.
	Investors who are **not**: (i) in the United States; (ii) a U.S.Person; or (iii) purchasing for the benefit of a person or persons that is/are in the United States or U.S. Persons must complete a W-8BEN or W-8BEN-E, as applicable, as set out in Form D.

ASCEND WELLNESS HOLDINGS, LLC

SUBSCRIPTION AGREEMENT FOR CONVERTIBLE NOTES

TO: ASCEND WELLNESS HOLDINGS, LLC (THE "COMPANY")

The undersigned, on its own behalf and, if applicable, on behalf of a Disclosed Principal (as defined herein) for whom it is acting hereunder (the "**Investor**"), hereby irrevocably subscribes for and agrees to purchase convertible notes of the Company (each a "**Note**") set out below. The Investor agrees to be bound by the terms and conditions set forth in the attached Convertible Note Purchase Agreement, as summarized in the attached Term Sheet, attached as Exhibit C, including, without limitation, the terms, representations, warranties, covenants, certifications and acknowledgements set forth in the applicable Schedules, Form and Exhibits attached thereto. The Investor further agrees, without limitation, that the Company may rely upon the Investor's representations, warranties, covenants, certifications and acknowledgments contained in such documents.

SUBSCRIPTION AND INVESTOR INFORMATION

Please print all information (other than signatures), as applicable, in the space provided below

Investor Information and Signature

_____
(Name of Investor)

By: _____
Authorized Signature

_____
(Official Capacity or Title – if the Investor is not an individual)

_____
(Name of individual whose signature appears above if different than the name of the Investor printed above.)

_____
(Investor's Residential Address, including Municipality and Province)

_____

_____
(Investor's Telephone Number) (Email Address)

Aggregate Subscription Amount: US$ _____
(the "**Subscription Amount**")

If the Investor is signing as agent or trustee for a principal (a "Disclosed Principal") and is not purchasing as trustee or agent for accounts fully managed by it, so as to be deemed to be purchasing as principal pursuant to NI 45-106 complete the following:

_____
(Name of Disclosed Principal)

_____
(Residential Address of Disclosed Principal)

_____
(Telephone Number of Disclosed Principal)

_____
(Account Reference, if applicable)

The Investor hereby provides the following registration and delivery instructions in connection with the physical settlement of the Notes being purchased hereunder.

Accepted:
ASCEND WELLNESS HOLDINGS, LLC

By: _____
Name: Abner Kurtin
Its: CEO & Founder
Date: _____, 2021

Account Registration Information:

(Name)

(Account Reference, if applicable)

(Address, including Postal Code)

Delivery Instructions:

(Name)

(Account Reference, if applicable)

(Address, including Postal Code)

(Telephone Number) (Fax Number)

(Contact Name)

Number and kind of securities of the Company held, directly or indirectly, or over which control or direction is exercised by the Investor, if any:

State whether Investor is an Insider of the Company (as such term is defined in the *Securities Act* (Ontario)):

Yes No

State whether Investor is a Registrant (as such term is defined in the *Securities Act* (Ontario)):

Yes No

Execution by the Investor above shall constitute an irrevocable offer and agreement by the Investor to subscribe for the securities described herein on the terms and conditions herein set out. The Company shall be entitled to rely on the delivery of a PDF or facsimile copy of this subscription or a copy delivered by other electronic means, and acceptance by the Company of such PDF, facsimile or copy delivered by other electronic means shall be legally effective to create a valid and binding agreement between the Investor and the Company in accordance with the terms and conditions hereof.

THE COMPANY IS NOT A REPORTING ISSUER IN ANY JURISDICTION AND THE NOTES WILL BE SUBJECT TO AN INDEFINITE HOLD PERIOD.

ASCEND WELLNESS HOLDINGS, LLC

CONVERTIBLE NOTE PURCHASE AGREEMENT

This CONVERTIBLE NOTE PURCHASE AGREEMENT, dated as of January ___, 2021 (this "**Agreement**"), is entered into by Ascend Wellness Holdings, LLC, a Delaware limited liability company (together with its permitted successors and assignees, the "**Company**") and the persons listed on **Schedule I** attached hereto (the "**Investors**").

PRELIMINARY STATEMENT

The Company is conducting a round of financing, raising up to $30,000,000, or such greater amount as may be determined by the Company, in the form of convertible notes (each individually a "**Note**" and collectively, the "**Notes**", with each registered owner of a Note being sometimes referred to as a "**Holder**") that can be converted into equity securities of the Company as more specifically set forth herein.

TERMS AND CONDITIONS

NOW, THEREFORE, in consideration of their mutual covenants set forth herein, the Company and the Investors agree as follows:

1. Authorization of Notes. Prior to the Initial Closing (as defined in **Section 3.1**), the Company shall have authorized the issuance and sale of Notes of not more than Thirty Million Dollars ($30,000,000) in original principal amount, or such greater amount as may be determined by the Company in its sole discretion. The Notes shall be convertible into equity securities of the Company, all as set forth herein, and subject to the provisions of, the form of Note attached as **Exhibit A** and incorporated herein.

2. Sale and Issuance of Notes. At the Initial Closing, and thereafter at one or more subsequent Closings, the Company shall sell and issue to each Investor, and each Investor shall purchase and acquire from the Company, upon the terms and conditions set forth herein, a Note in the original principal amount as set forth on the Signature Page (defined below) of such Investor attached hereto (which amount shall thereafter be entered by the Company on **Schedule I** opposite such Investor's name) at a purchase price equal to such original principal amount, which shall be for an amount not less than $100,000. Each Investor's obligations hereunder with respect to the purchase of a Note shall be several, and not joint.

3. Closing of Sale of Notes.

3.1 Closings. The closings with respect to the transactions contemplated hereby (each a "**Closing**") shall take place on one or more dates (each a "**Closing Date**") as may be determined by the Company either (i) until the Company shall have effectuated Closings for not more than $30,000,000 in original principal amount of the Notes (or such greater amount as may be determined by the Company in its sole discretion), or (ii) until the Board of Managers of the Company (the "**Board of Managers**") shall have determined, in its sole discretion, that the offering of the Notes made by this Agreement shall have terminated. The Initial Closing shall take place on the date hereof (the "**Initial Closing**").

Each Closing shall be held at the offices of the Company or remotely via the exchange of documents and signatures. Each Investor who desires to purchase a Note shall subscribe hereto by completing, executing and delivering to the Company the Subscription Agreement for Convertible Notes attached to this Agreement (each, a "**Signature Page**") and the applicable accredited investor questionnaire attached hereto as **Form A**, **Form B**, and **Form C**, together with payment by check drawn on good funds or by wire transfer of immediately available funds of the original principal amount of the Note so purchased.

In addition Investors who are in the United States, a U.S. Person (as such term is defined in Rule 902(k) of Regulation S under the United States Securities Act of 1933, as amended (the "**Securities Act**") or purchasing securities for the account or benefit of a person or persons that is/are in the United States or U.S. Persons must complete a W-9 as attached as **Form E**. Investors who are not: (i) in the United States; (ii) a U.S. Person; or (iii) purchasing for the benefit of a person or persons that is/are in the United States or U.S. Persons must complete a W-8BEN (individuals) or W-8BEN-E (entities), as applicable, set out in **Form D**.

As each Closing is completed, the Signature Pages of Investors purchasing Notes at such Closing shall be attached to this Agreement, and **Schedule I** shall be amended accordingly. The Company may accept or reject, in whole or in part and at its sole discretion, any offer by an Investor to purchase a Note.

3.2 Issuance and Delivery of Notes. As of the date of each Closing, the Company shall issue and deliver to each Investor an executed Note in the form of **Exhibit A** in the original principal amount as set forth on the Signature Page of such Investor delivered to the Company hereunder (which amount shall thereafter be entered by the Company on **Schedule I** opposite such Investor's name). The rights of each Investor with respect to such Investor's Note shall be as set forth in the Note and this Agreement.

4. Conversion and Repayment of Notes. In accordance with the terms and conditions set forth in the Notes, the entire amount of outstanding principal and accrued interest under each Note shall be converted or repaid as follows:

4.1 Go-Public Transaction. From and after the date hereof, in the event that the Company completes a Go-Public Transaction (as defined below) prior to the Maturity Date (as defined in the Notes), all Notes, including all accrued and unpaid interest thereon less applicable withholding tax, shall automatically and simultaneously with the closing thereof be converted (which such conversion shall be mandatory as to all Notes outstanding at the time of such Go-Public Transaction) into equity securities of the Company issued in connection with the Go-Public Transaction (the "**Go-Public Security**"), with such numbers of Go-Public Securities of the Company issued on the basis of a price equal to the lesser of: (a) (i) in the event the Go-Public Transaction occurs on or before 12 months from the Closing Date, a 20% discount to the issue price of the Go-Public Securities; (ii) in the event the Go-Public Transaction occurs after 12 months from the Closing Date, but before the Maturity Date, a 25% discount to the issue price of the Go-Public Securities; and (b) the equivalent per share price applicable to Common Units issued at the Maturity Conversion Price (as defined in **Section 4.2** below). As used herein, a "**Go-Public Transaction**" shall be defined as the closing of: (i) a transaction resulting in the business or assets of the Company being listed (directly or indirectly) on the Canadian Securities Exchange or any other recognized securities exchange (the "**Stock Exchange**"), including but not limited to an initial public offering, plan of arrangement, amalgamation, reverse take-over or other business combination pursuant to which the securities of the Company (or any resulting issuer or parent thereof) are listed on the Stock Exchange; and (ii) a concurrent financing of the Company's equity securities for aggregate gross proceeds of greater than or equal to $20,000,000.

4.2 Maturity. If the Company does not consummate a Go-Public Transaction prior to the Maturity Date then, upon the election of the Holder of a Note, (i) the outstanding principal amount, together with accrued and unpaid interest, on such Note shall be paid in full in cash on the Maturity Date, or (ii) the outstanding principal amount, together with accrued and unpaid interest (less applicable withholding tax), on such Note shall convert into Common Units at a price per Common Unit of $3.00 per unit, adjusted appropriately for unit splits, unit dividends and similar recapitalization events after the date hereof (the "**Maturity Conversion Price**").

4.3 Change of Control. In the event that the Company effects a Change of Control (as defined below) prior to the Maturity Date, other than in connection with a Go-Public Transaction, then within 30 days following the consummation of a Change of Control, the Company shall make an offer in writing to each of the Holders (the "**Change of Control Offer**") to, at each such Holders' election, either: (i) purchase the Notes in cash from such Holders for cash at 102% of the principal amount thereof and the accrued and unpaid interest thereon; or (ii) convert the outstanding principal amount together with accrued and unpaid interest (less applicable withholding tax) of the Note at a price equal to 95% of the Maturity Conversion Price. Notwithstanding the foregoing, if 90% or more of the principal amount of the Notes outstanding on the date of the giving of notice of the Change of Control have been tendered to the Company pursuant to an offer made to the Holders, the Company will have the right to redeem all the remaining Notes for cash at 102% of the principal amount thereof and the accrued and unpaid interest thereon. As used herein, a "**Change of Control**" shall mean, other than in connection with the Go-Public Transaction: (i) any transaction (whether by purchase, merger or otherwise) whereby a person or persons acting jointly or in concert directly or indirectly acquires the right to cast, at a general meeting of shareholders of the Company, more than 50% of the votes that may be ordinarily cast at a general meeting; (ii) the Company's amalgamation, consolidation or merger with or into any other person or any merger or amalgamation of another person into the Company, unless in each case the holders of voting securities of the Company immediately prior to such amalgamation, consolidation or merger hold securities representing 50% or more of the voting control or direction in the Company or the successor entity upon completion of such amalgamation, consolidation or merger; or (iii) any conveyance, transfer, sale lease or other disposition of all or substantially all of the Company's and the Company's subsidiaries' assets and properties, taken as a whole, to another arm's length person.

4.4 Related Documents. In all events of conversion of Notes and as a condition thereto, each Holder agrees to execute all documents executed by members of the Company holding similar equity to which the Note is converted.

5. Representations and Warranties of the Company. The Company hereby represents and warrants to the Investors as follows:

5.1 Organization. The Company is a limited liability company duly organized, validly existing and in good standing under the laws of the State of Delaware; and has all requisite company power and authority to own and lease its property and to carry on its business as presently conducted and as proposed to be conducted.

5.2 Authorization of this Agreement and the Notes. The execution, delivery and performance by the Company of this Agreement and the Notes and of the transactions contemplated hereby and thereby have been duly authorized by all requisite action on the part of the Company. This Agreement has been duly executed and delivered by the Company and constitutes a valid and binding agreement of the Company that is enforceable in accordance with its terms, except as limited by applicable bankruptcy, insolvency, reorganization, moratorium, fraudulent conveyance, and any other laws of general application affecting enforcement of creditors' rights generally, and as limited by laws relating to the availability of specific performance, injunctive relief, or other equitable remedies. As of the date of issue thereof, each of the Notes will constitute a valid and binding obligation of the Company that is enforceable in accordance with its terms, except as limited by applicable bankruptcy, insolvency, reorganization, moratorium, fraudulent conveyance, and any other laws of general application affecting enforcement of creditors' rights generally, and as limited by laws relating to the availability of specific performance, injunctive relief, or other equitable remedies. The execution, delivery and performance of this Agreement and the Notes, and the compliance with the provisions hereof and thereof by the Company, will not (i) conflict with or result in any breach of any of the terms, conditions or provisions of, or constitute (with due notice or lapse of

time, or both) a default (or give rise to any right of termination, cancellation or acceleration) under (A) any agreement, document, instrument, contract, written understanding or arrangement, note, indenture, mortgage or lease to which the Company is a party or under which the Company or any of its assets is bound or affected, (B) the Company's Certificate of Formation, or (C) the Company's limited liability company agreement; or (ii) result in the creation of any lien, security interest, charge or encumbrance upon any of the properties or assets of the Company.

5.3 Consents and Approvals. No authorization, consent, approval or other order of, or declaration to or filing with, any governmental agency or body (other than filings required to be made under applicable federal or state securities laws) is required for the valid authorization, execution, delivery and performance by the Company of this Agreement or the Notes. The Company has obtained all other consents that are necessary to permit the consummation of the transactions contemplated hereby.

5.4 Sole Representations. Except as expressly set forth in this **Section 5**, the Company makes no other representation or warranty in connection with the transactions contemplated by this Agreement.

6. Use of Proceeds. The Company is expected to use the proceeds from the sale of the Notes for general corporate purposes including working capital, business development and acquisitions.

7. Representations and Warranties of the Investors. Each of the Investors, severally and not jointly, represents and warrants to the Company as follows:

7.1 Authorization. The Investor has full power and authority to enter into this Agreement which, when executed and delivered by the Investor, will constitute the valid and legally binding obligation of the Investor, enforceable in accordance with its terms, except as limited by applicable bankruptcy, insolvency, reorganization, moratorium, fraudulent conveyance, and any other laws of general application affecting enforcement of creditors' rights generally, and as limited by laws relating to the availability of specific performance, injunctive relief, or other equitable remedies.

7.2 Purchase for Investment. The Investor is purchasing the Note, and if and when the Note is converted will acquire equity securities of the Company, for investment for the account of the Investor and not for the account of any other person, and not with a view toward resale or other distribution thereof. The Investor understands that the Note being purchased has not been, and when issued the equity securities issuable upon conversion will not be, registered under the Securities Act and applicable state securities laws and, therefore, cannot be resold unless subsequently registered under the Securities Act and applicable state securities laws or unless an exemption from such registration is available. The Investor further understands and agrees that, until so registered or transferred pursuant to the provisions of Rule 144 under the Securities Act, the Note and all certificates evidencing any of the equity securities, whether upon initial issuance or upon any transfer thereof, shall bear a legend, prominently stamped or printed thereon, reading substantially as follows:

> THIS SECURITY HAS NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "**ACT**"), OR APPLICABLE STATE SECURITIES LAWS. THIS SECURITY MAY ONLY BE SOLD, PLEDGED, HYPOTHECATED OR OTHERWISE TRANSFERRED PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE ACT AND APPLICABLE STATE SECURITIES LAWS, OR PURSUANT TO AN EXEMPTION FROM THE REGISTRATION PROVISIONS OF THE ACT AND SUCH LAWS. ADDITIONAL CONDITIONS ARE IMPOSED BY THIS SECURITY AND THE AGREEMENT PURSUANT TO WHICH THIS

SECURITY WAS SOLD, AND THE COMPANY MAY REFUSE TO THE TRANSFER OF THIS SECURITY UNLESS SUCH CONDITIONS ARE FULFILLED.

The Investor understands and agrees that the Company does not have any present intention and is under no obligation to register the Note or the equity securities issuable upon conversion, whether upon initial issuance or upon any transfer thereof under the Securities Act and applicable state securities laws, and that Rule 144 may not be available as a basis for exemption from registration. The Investor acknowledges and agrees that the Company may condition the transfer of the Note, or the equity securities, upon the receipt of an opinion, satisfactory in form and substance to the Company and from counsel satisfactory to the Company, in each of such instances in the sole discretion of the Company, that such proposed transfer shall not result in the violation of any federal or state securities law.

7.3 Receipt of Information. The Investor or such Investor's representative, during the course of this transaction and prior to the purchase of the Note being purchased by the Investor hereunder, has had the opportunity to ask questions of and receive answers from representatives of the Company concerning the terms and conditions of the offering of the Notes and the business of the Company; and to obtain any additional information or documents relative to the Company, its business and an investment in the Company necessary to verify the accuracy of information provided by the Company relative to the business of the Company. The Investor or the Investor's representative has received and read or reviewed, and is familiar with, this Agreement, the form of the Note and all such additional information and documents provided to the Investor.

7.4 Materials Incorporated by Reference. The Investor acknowledges receipt of the Fourth Amended and Restated Limited Liability Company Agreement of the Company and the Risk Factors as set forth on **Exhibit B** attached hereto (the "**Risk Factors**"), and acknowledges having read and understood the terms and provisions of both of the foregoing, including, without limitation, all Risk Factors relating to the Company's involvement in the cannabis industry. The Investor hereby further acknowledges and agrees that the Risk Factors do not reflect all of the risks involved in an investment in the Company.

7.4 Sophistication of Investor. The Investor or the Investor's representative is capable of evaluating the merits and risks of the purchase of the Notes. The Investor has the capacity to protect his or her own interests in connection with the purchase of the Notes by reason of the Investor's business or financial experience or the business or financial experience of the Investor's representative (who is unaffiliated with and who is not compensated by the Company or any affiliate, directly or indirectly).

7.5 Risk of Investment. The purchase of a Note by the Investor is consistent with his or her general investment objectives. The Investor understands that the purchase of the Notes involves a high degree of risk and there is now no established market for the Company's Notes or equity and there is no assurance that any public market for the Notes or such equity will develop. The Investor has no present need for liquidity in connection with the funds being tendered by such Investor hereunder. The Investor can bear the economic risks of this investment and can afford a complete loss of his, her or its investment.

7.6 Accredited Investor. The Investor has completed and delivered to the Company herewith the applicable accredited investor questionnaire attached hereto as **Form A, Form B and Form C**, acknowledging, among other matters, that he, she or it is an "**Accredited Investor**," as that term is defined in Rule 501 of Regulation D promulgated under the Securities Act (or similar affirmation of accreditation under Canadian or other applicable laws).

7.7 No Commissions. No person or entity has or will have, as a result of the transactions contemplated by this Agreement, any right, interest or claim against or upon the Company or

the Investor for any commission, fee or other compensation as a finder or broker because of any act or omission by the Investor or by any agent of the Investor.

7.8 No General Solicitation. Neither the Investor, nor any of its officers, managers, members, employees, agents, advisors or partners, has either directly or indirectly, including through a broker or finder (a) engaged in any general solicitation, or (b) published any advertisement in connection with the offer and sale of the Notes.

7.9 Residence. If the Investor is an individual, then the Investor resides in the state or province identified in the address of the Investor set forth on the Signature Page; if the Investor is a partnership, corporation, limited liability company or other entity, then the office of the Investor's principal place of business is identified in the address of the Investor set forth on the Signature Page.

7.10 Authorization of the Company. Each Investor hereby appoints, and shall appoint, any person(s) designated by the Board of Managers as the Investor's true and lawful proxy and attorney, with the power to act alone and with full power of substitution:

(a) to receive the Notes, to execute in the Investor's name and on its behalf all closing receipts and required documents, and to complete and correct any errors or omissions in any form or document provided by the Investor, including this Agreement and the attachments hereto, in connection with the subscription for the Notes;

(b) to extend such time periods and to waive, in whole or in part, any representations, warranties, covenants, conditions or other terms for the Investor's benefit contained in this Agreement or any ancillary or related document;

(c) to terminate, prior to the Initial Closing, this Agreement if any condition precedent is not satisfied, in such manner and on such terms and conditions as the Company in its sole discretion may determine, acting reasonably;

(d) to vote all voting securities of the Company held by the Investor in respect of the Notes prior to the conversion date thereof; and

(e) to execute and deliver on behalf of the Investor all documents, instruments, and agreements necessary or requested by the Company or its underwriters, including any customary lock-up agreement in a Go-Public Transaction.

EACH INVESTOR HEREBY GRANTS TO THE COMPANY OR ITS DESIGNEE AN IRREVOCABLE PROXY AND POWER OF ATTORNEY TO VOTE ALL VOTING SECURITIES OF THE COMPANY NOW OR HEREAFTER OWNED OR CONTROLLED BY EACH OF THEM AT ANY ANNUAL OR SPECIAL MEETING OF THE MEMBERS OR STOCKHOLDERS OF THE COMPANY, OR BY WRITTEN CONSENT IN LIEU OF SUCH A MEETING. EACH INVESTOR ACKNOWLEDGES AND AGREES THAT THE PROXY AND POWER OF ATTORNEY GRANTED PURSUANT TO THIS SECTION IS COUPLED WITH AN INTEREST AND SHALL SURVIVE THE DEATH, DISABILITY, INCAPACITY, DISSOLUTION, BANKRUPTCY, INSOLVENCY OR TERMINATION OF SUCH INVESTOR AND THE TRANSFER OF ALL OR ANY PORTION OF SUCH INVESTOR'S SHARES AND SHALL EXTEND TO SUCH INVESTOR'S HEIRS, SUCCESSORS, ASSIGNS, AND PERSONAL REPRESENTATIVES

8. Closing Conditions; Covenants of the Company.

8.1 Conditions to Obligations of the Investors. It shall be a condition precedent to the obligations of any Investor to be performed at the Initial Closing or at the subsequent Closing in which such Investor participates that:

(i) Investors received all documents which they may reasonably have requested in connection with such transactions.

(ii) All representations and warranties of the Company shall be accurate, correct and complete on the date hereof.

(iii) There shall have been no material adverse change in the financial condition of the Company between the date of the Signature Page for such Investor and the date of the Closing in which such Investor shall participate.

8.2 Conditions to Obligations of the Company. It shall be a condition precedent to the obligations of the Company hereunder to be performed at the Initial Closing or at any subsequent Closing that:

(i) The Company shall have received the check, wire transfer or other funds or consideration described in **Section 3** to be delivered to the Company in consideration of the issuance of the Notes at such closing.

(ii) All representations and warranties of the Investors shall be accurate, correct and complete on the date of the Closing in which such Investors participate.

(iii) Notwithstanding anything in this Agreement to the contrary, the Company has absolute discretion as to whether or not to accept an investment from the Investor.

9. Miscellaneous.

9.1 Successors and Assigns. Except as otherwise expressly provided herein, this Agreement shall bind and inure to the benefit of the Company, the Investors, the respective permitted successors and assigns of the Investors and the permitted successors and assigns of the Company. The Company is authorized to assign this Agreement in the event of sale, merger, consolidation, reorganization, share exchange, or similar transaction, involving all or substantially all of its assets or equity, provided the assignee agrees in writing to be bound by the provisions of this Purchase Agreement. The Holder may only assign this Agreement, as provided in the Note or otherwise, upon the prior written consent of the Company and by surrender of the Note at the principal office of the Company, duly endorsed by, or accompanied by a written instrument of transfer duly executed by, the registered Holder or his attorney duly authorized in writing, as specified therein.

9.2 Notices. All notices, offers, acceptances, requests and other communications hereunder shall be in writing and shall be deemed to have been duly given if personally delivered, sent by confirmed fax transmission or electronic mail, or mailed by certified or registered mail to the Company and the Investors at the addresses set forth in their signature lines. If personally delivered or sent by confirmed fax transmission or electronic mail, such notice shall be deemed received upon such delivery, if mailed by overnight courier such notice shall be deemed received one (1) day after such mailing, and if mailed by certified or registered mail, such notice shall be deemed received three (3) days after such mailing. Each party is responsible to update its own address in the manner prescribed above.

9.3 Entire Agreement. This Agreement and the other writings referred to herein or delivered pursuant hereto which form a part hereof contain the entire agreement among the parties with respect to the subject matter hereof and supersede all prior and contemporaneous arrangements or understandings, whether written or oral, with respect thereto.

9.4 Changes. Any term of this Agreement or the Notes may be amended and the observance of any term of this Agreement or the Notes may be waived (either generally or in a particular instance and either retroactively or prospectively), only with the written consent of the Company and the holders of a majority of the outstanding principal amount of all Notes; provided, however, that (i) no such waiver, amendment or modification shall reduce the aforesaid percentage of the principal amount of Notes the holders of which are required to consent to any waiver, amendment or modification, and (ii) no such amendment may increase the funding obligations of any Investors hereunder without such Investor's written consent thereto. Any amendment approved in the manner set forth above shall be binding on all holders of Notes. Neither this Agreement nor any provisions hereof may be waived, amended or modified orally, but only by a signed statement in writing.

9.5 Counterparts. This Agreement may be executed in any number of counterparts all of which together shall constitute one and the same instrument. The execution and delivery to the Company of a Signature Page in the form annexed to this Agreement by any Investor who shall previously have been furnished the final form of this Agreement (other than **Schedule I**) shall constitute the execution and delivery of this Agreement by such Investor. All exhibits, schedules and annexes attached hereto are part of this Agreement and are incorporated herein by reference. Electronic and fax signatures shall be deemed and accepted as originals.

9.6 Severability. Any provision of this Agreement that is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof, and any such prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction, and such unenforceable provision shall be interpreted to the fullest extent permitted by law.

9.7 Governing Law. This Agreement and any dispute arising under or related to this Agreement or the Notes shall be governed by and construed in accordance with the laws of the State of Delaware, without giving effect to its conflict of laws provisions. Any dispute arising under or related to this Agreement shall be brought before a single arbitrator appointed by the American Arbitration Association ("**AAA**") under the auspices and commercial arbitration rules of the AAA to be held in the Commonwealth of Massachusetts.

9.8 Nouns and Pronouns. Whenever the context may require, the singular form of nouns and pronouns shall include the plural and vice versa and pronouns referencing a specific gender or entity shall include all genders and entities. The section headings throughout this Agreement are for convenience and reference only, and the words contained therein shall in no way be held to explain, modify, amplify, or aid in the interpretation, construction or meaning of the provisions of this Agreement.

9.9 Currency. All dollar amounts in this Agreement and documents relating hereto, including the symbol "$", are expressed in United States dollars.

[*Signature Page to Follow*]

COUNTERPART SIGNATURE PAGE
TO
CONVERTIBLE NOTE PURCHASE AGREEMENT

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

ASCEND WELLNESS HOLDINGS, LLC

By: _____
Name: Abner Kurtin
Title: CEO & Founder
Address: 1411 Broadway, 16th Floor, New York, NY 10018

Investors

See Subscription Agreement

ASCEND WELLNESS HOLDINGS, LLC

CONVERTIBLE NOTE PURCHASE AGREEMENT

SCHEDULE I
(To be completed by the Company)

Name and Address of Investor	Principal Amount of Note Purchased	Date of Note
[●]	$[●]	[●]

EXHIBIT A

Form of Note

THIS NOTE AND THE SECURITIES ISSUABLE UPON CONVERSION HEREOF HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "ACT"), OR ANY APPLICABLE STATE SECURITIES LAWS. THEY MAY NOT BE SOLD, OFFERED FOR SALE, PLEDGED OR HYPOTHECATED IN THE ABSENCE OF A REGISTRATION STATEMENT IN EFFECT WITH RESPECT TO THE SECURITIES UNDER SUCH ACT OR AN OPINION OF COUNSEL SATISFACTORY TO THE COMPANY THAT SUCH REGISTRATION IS NOT REQUIRED OR UNLESS SOLD PURSUANT TO RULE 144 OF SUCH ACT AND APPLICABLE STATE SECURITIES LAWS.

ASCEND WELLNESS HOLDINGS, LLC

CONVERTIBLE NOTE

$[_____] Boston, MA

_____, 2021

Ascend Wellness Holdings, LLC, a Delaware limited liability company (the "**Company**"), for value received, hereby promises to pay to [_____], [an individual / a [entity type] with a notice address at _____ (the "**Holder**"), the principal amount of [_____] dollars ($[_____]) (such amount, or such portion there of which remains outstanding from time to time hereunder subsequently referred to as the "**Principal Amount**"), together with simple interest accruing at the rate of: (a) eight percent (8%) per annum from the Closing Date for this Note (as defined below) through and including the twelve (12) month anniversary of the Closing Date for this Note, (b) ten percent (10%) per annum from the date following such twelve (12) month anniversary through and including the fifteen (15) month anniversary of the Closing Date for this Note, and (c) thirteen percent (13%) per annum from the date following such fifteen (15) month anniversary and thereafter; which interest will be "paid-in-kind" and added to the outstanding principal amount and be computed on the basis of a three hundred sixty five (365) day year. Notwithstanding anything to the contrary, in the event this Note is converted in accordance with the Purchase Agreement prior to the twelve (12) month anniversary of this Note, the interest payable hereunder will be calculated as of the twelve (12) month anniversary of this Note. Interest paid to non-US Persons may be subject to US withholding tax.

This Note is one of a series of convertible notes (the "**Notes**") issued pursuant to the Convertible Note Purchase Agreement, dated as of January , 2021 (the "**Purchase Agreement**"). Capitalized terms used but not defined herein shall have the meanings ascribed to them in the Purchase Agreement. All the Notes are *pari passu* such that all Notes rank equally and no payments shall be made under this Note unless a pro rata payment is simultaneously made under all other Notes.

The following is a statement of the rights of the Holder of this Note and the conditions to which this Note is subject, and to which the Holder, by the acceptance of this Note, agrees:

1. Maturity Date; Conversion. Subject to conversion as determined pursuant to the terms and conditions of the Purchase Agreement, a single payment of the then outstanding Principal Amount, plus accrued interest thereon determined in accordance with the first paragraph of this Note, shall be due and payable twenty-four (24) months from the Closing Date for this Note (the "**Maturity Date**"), unless earlier

converted in accordance with the Purchase Agreement. This Note may be converted into equity interests of the Company as provided in the Purchase Agreement.

2. Default. Any of the following events shall constitute an "**Event of Default**", unless waived by holders of a majority of the aggregate principal amount outstanding on all Notes (the "**Majority Holders**"): (i) the Company's execution of a general assignment for the benefit of creditors; (ii) the filing by or against the Company of a petition in bankruptcy or any petition for relief under the federal bankruptcy act or the continuation of such petition without dismissal for a period of ninety (90) days or more; (iii) the appointment of a receiver or trustee to take possession of substantially all of the property or assets of the Company or (iv) the Company's failure to pay any amounts owing hereunder when due.

Upon the occurrence and during the continuance of an Event of Default:

(a) The Holder shall have all rights and remedies granted to it under this Note and the Purchase Agreement. All such rights and remedies and the exercise thereof shall be cumulative. No exercise of any such rights and remedies shall be deemed to be exclusive or constitute an election of remedies.

(b) Payment of the outstanding Principal Amount, together with all accrued and unpaid interest thereon determined in accordance with the first paragraph of this Note, shall, at the option of the Majority Holders, become immediately due and payable without notice or demand.

No Event of Default may be waived or shall be deemed to have been waived except by an express notice delivered by the Majority Holders to the Company in accordance with **Section 8** below, and any such waiver shall be applicable only to the specific Event(s) of Default expressly identified in such notice and shall not be deemed to apply to any other or subsequent Event of Default. The Majority Holders may grant or withhold any such waiver in the sole exercise of their discretion, and may condition such waiver upon the payment by the Company of a premium or the acceptance of other terms and conditions under this Note or the Purchase Agreement. No course of dealing by the Holder or the failure, forbearance or delay by the Majority Holders in exercising any of their rights or remedies under this Note or the Purchase Agreement shall operate as a waiver of any Event of Default or of any right of the Holder hereunder. Notwithstanding anything contained herein or the Purchase Agreement to the contrary, upon an Event of Default pursuant to Section 2(ii), this Note shall be automatically due and payable without any action or notice by the Holder.

3. Treatment of Note. To the extent permitted by generally accepted accounting principles, the Company will treat, account and report this Note as debt and not equity for accounting purposes and with respect to any returns filed with federal, state or local tax authorities.

4. Prepayment. The Principal Amount and accrued interest will not be prepaid without the written consent of the Holder hereof except as provided in the Purchase Agreement.

5. Representations, Warranties and Acknowledgements of the Holder. By accepting this Note, the Holder hereby: (i) represents and warrants that it is an "accredited investor" within the meaning of Rule 501 of Regulation D under the Securities Act of 1933, as amended (the "**Securities Act**"); (ii) represents and warrants that the Notes and the related conversion equity securities (together, the "**Securities**") are being or will be acquired by it for the purpose of investment and not with a view to distribution; (iii) agrees that it will not sell or transfer any of the Securities without registration under applicable federal and state securities laws, or the availability of exemptions therefrom; (iv) acknowledges that the documents evidencing the Securities will each bear a restrictive legend stating that the Securities represented thereby have not been registered under applicable federal and state securities laws and referring to restrictions on

their transferability and sale; (v) acknowledges that it currently has, and had immediately prior to its receipt of the offer of sale from the Company, alone or with the assistance of its professional advisors, such knowledge and experience in financial and business matters that it is capable of evaluating the merits and risks of this investment; (vi) acknowledges that an investment in the Securities involves a high degree of risk; (vii) acknowledges that it is able to bear the economic risk of this investment; (viii) acknowledges that it had the opportunity to ask questions of, and receive answers from, management of the Company concerning the terms and conditions of this investment; and (ix) acknowledges that it has received such information as it deems necessary to enable it to make its investment decision.

6. No Membership Rights. Nothing contained in this Note shall be construed as conferring upon the Holder the right to vote or to consent or to receive notice as a member in respect of meeting of members for the election of Board of Managers or any other matters or any rights whatsoever as a member of the Company; and no dividends shall be payable or accrued in respect of this Note or the interest represented hereby or the Securities obtainable hereunder upon conversion until, and only to the extent that, this Note shall have been so converted in accordance with the terms of the Purchase Agreement.

7. Recourse. The Holder agrees that no officers, managers or members of the Company shall have any personal liability with respect to the obligations of the Company under this Note, the Purchase Agreement or any other agreements related to this Note.

8. Notice. Any notice, request or other communication required or permitted hereunder shall be in writing and shall be delivered in accordance with **Section 9.2** of the Purchase Agreement.

9. Waiver and Amendment. Any provision of this Note may be amended, waived or modified only upon the written consent of the Company and the Majority Holders as provided in the Purchase Agreement.

10. Restrictions on Transfer of this Note. No transfers of the Note or any portion hereof may be made by the Holder without the prior written consent of the Company, which consent may be withheld in the Company's sole discretion. Notwithstanding the foregoing (i) a Holder may transfer this Note to any of its "affiliates" (as defined in Rule 405 promulgated under the Securities Act) without the consent of the Company and (ii) following the occurrence and during the continuance of an Event of Default, the Holder may transfer this Note to any person without the consent of the Company, in each case so long as the transferee is an Accredited Investor. The rights and obligations of the Company and the Holder shall be binding upon and benefit their respective successors, permitted assigns, heirs, administrators and permitted transferees.

11. Payment. Any cash payments of the Principal Amount will be made by check or wire transfer in immediately available United States funds sent to the Holder at the address or to the account furnished to the Company for that purpose.

12. Governing Law; Jurisdiction. The provisions of **Section 9.7** of the Purchase Agreement shall apply to this Note.

13. Headings; References. All headings used herein are used for convenience only and shall not be used to construe or interpret this Note. Except where otherwise indicated, all references herein to Sections refer to Sections hereof. All words used in this Note will be construed to be of such gender or number as the circumstances require.

[*Signature Page to Follow*]

IN WITNESS WHEREOF, the Company has executed this Note as an instrument under seal as of the date and year first written above.

ASCEND WELLNESS HOLDINGS, LLC

By: _____

Name: Abner Kurtin

Its: CEO & Founder

EXHIBIT B

RISK FACTORS

Legal and Political Risks

Cannabis remains illegal under federal law.

Cannabis is a Schedule-I controlled substance and is illegal under federal law. It remains illegal under United States federal law to grow, cultivate, sell or possess cannabis for any purpose or to assist or conspire with those who do so. Additionally, 21 U.S.C. 856 makes it illegal to "knowingly open, lease, rent, use, or maintain any place, whether permanently or temporarily, for the purpose of manufacturing, distributing, or using any controlled substance." Even in those states in which the use of cannabis has been authorized, its use remains a violation of federal law. Any person that is connected to the cannabis industry, including, but not limited to, an Investor and other investors in the Company, may be at risk of federal criminal prosecution and civil liability. Any investments could also be subject to civil or criminal forfeiture and a total loss. Since federal law criminalizing the use of cannabis is not preempted by state laws that legalize its use, strict enforcement of federal law regarding cannabis would likely result in the Company's inability to proceed with its business plan and a possible total loss of the Investor's investment. Additionally, pursuant to 26 U.S. Code § 280E, any business engaged in the trafficking of a controlled substance may be prohibited from making certain deductions or obtaining certain tax credits.

Some courts may determine that contracts relating to cultivation and sale of cannabis legal under state law are unenforceable on the grounds that such activities are illegal under federal law and therefore void as a matter of public policy. This could substantially impact the rights of parties making or defending claims involving the Company and any lender or member of the Company.

Due to the federal illegality of cannabis and the charged political climate surrounding the cannabis industries of various states, political risks are inherent in the cannabis industry. It remains to be seen whether policy changes at the federal level will have a chilling effect on the cannabis industry.

Rescission of the "Cole Memo."

On January 4, 2018, then-Attorney General Sessions rescinded the previously issued memoranda from the Justice Department which de-prioritized the enforcement of federal law against marijuana users and businesses who comply with state cannabis laws (the "**Cole Memo**"), adding uncertainty to the question of how the Federal government will now choose to enforce federal laws regarding cannabis. Attorney General Sessions issued a memorandum to all United States Attorneys in which Attorney General Sessions affirmatively rescinded the Cole Memo as to cannabis enforcement, calling such guidance "unnecessary."

Attorney General Sessions' one-page memorandum was vague in nature, stating that federal prosecutors should use established principals in setting their law enforcement priorities. Under

previous administrations, the U.S. Department of Justice indicated that those users and suppliers of medical cannabis who complied with state laws, which required compliance with certain criteria, would not be prosecuted. As a result, it is now unclear if the Justice Department will seek to enforce the Controlled Substances Act against those users and suppliers who comply with state cannabis laws. If such enforcement occurs, the federal government may raid the Company, seize all of its equipment and inventory, and arrest all of its officers, directors, managers, and members.

The FinCEN Memo could be rescinded.

Due to the categorization of marijuana as a Schedule I drug in the Controlled Substances Ace ("**CSA**"), federal law also makes it illegal for financial institutions that depend on the Federal Reserve's money transfer system to take any proceeds from marijuana sales as deposits. Banks and other financial institutions could be prosecuted and possibly convicted of money laundering for providing services to cannabis businesses under the United States Currency and Foreign Transactions Reporting Act of 1970 (the "**Bank Secrecy Act**"). Therefore, under the Bank Secrecy Act, banks or other financial institutions that provide a cannabis business with a checking account, debit or credit card, small business loan, or any other service could be charged with money laundering or conspiracy. Therefore, under the Bank Secrecy Act, banks or other financial institutions that provide a cannabis business with a checking account, debit or credit card, small business loan, or any other service could be charged with money laundering or conspiracy.

The Department of the Treasury, Financial Crimes Enforcement Network issued a memo (the "**FinCEN Memo**"), dated February 14, 2014, which de-prioritizes enforcement of the Bank Secrecy Act against financial institutions and cannabis related businesses which utilize them. This memo appears to be a standalone document, and is presumptively still in effect.

At any time, the Department of the Treasury, Financial Crimes Enforcement Network could elect to rescind the FinCEN Memo. This would make it more difficult for the Company to access the U.S. banking system and conduct financial transactions, which would have a material adverse effect on the Company Business (defined below). Enforcement of the Bank Secrecy Act against the Company would also be made more likely by the rescission of the FinCEN Memo. This would subject the Company's officers, directors, managers and members to potential criminal prosecution, and would have a material adverse effect on the Company Business.

Even with the FinCEN Memo in place, prosecution of the Company for violations of the Bank Secrecy Act remains possible, as the FinCEN Memo is only prosecutorial guidance and does not have the force of law.

The 2015 Appropriations Rider must be reauthorized every year to provide any protections.

In 2014, Congress passed a spending bill (the "**2015 Appropriations Bill**") containing a provision (the "**Appropriations Rider**") blocking federal funds and resources allocated under the 2015 Appropriations Bill from being used to "prevent such States from implementing their own State [medical marijuana] law". The Appropriations Rider seemed to have prohibited the federal government from interfering with the ability of states to administer their medical cannabis laws,

although it did not codify federal protections for medical cannabis patients and producers. Moreover, despite the Appropriations Rider, the Justice Department maintains that it can still prosecute violations of the federal cannabis ban and continue cases already in the courts.

Additionally, the Appropriations Rider must be re-enacted every year. The Appropriations Rider was extended in the Consolidated Appropriations Act of 2019 (the "**2020 Act**"), which was signed by President Trump on December 20, 2019 and funded the departments of the federal government through the fiscal year ending September 30, 2020. Congress passed and President Trump signed a Continuing Resolution that extends the 2020 Act through December 11, 2020. In signing the 2020 Act, President Trump issued a signing statement noting that the Act "*provides that the Department of Justice may not use any funds to prevent implementation of medical marijuana laws by various States and territories*," and further stating "*I will treat this provision consistent with the President's constitutional responsibility to faithfully execute the laws of the United States.*" While the signing statement can fairly be interpreted to mean that the executive branch intends to enforce the CSA and other federal laws prohibiting the sale and possession of medical marijuana, the President did issue a similar signing statement in 2017 and no federal enforcement actions followed. On February 11, 2020, as both he and former President Obama have done in the past, President Trump submitted a budget request to Congress that omitted the language of the Appropriations Rider.

The Company's proposed business is dependent on laws pertaining to the cannabis industry, and further legislative development is not guaranteed.

The Company's business plan involves the cultivation, distribution, manufacture, storage, transportation and/or sale of medical and adult use cannabis products in compliance with applicable state law, but in violation of federal law (generally referred to herein as the "**Company Business**"). Continued development of the cannabis industry is dependent upon continued legislative and regulatory authorization of cannabis at the state level. Any number of factors could slow or halt progress in this area. Further progress is not assured. While there may be ample public support for legislative action, numerous factors impact the legislative and regulatory process. Any one of these factors could slow or halt business operations relating to cannabis or the current tolerance for the use of cannabis by consumers, which would negatively impact the Company Business.

The cannabis industry faces strong opposition.

Many believe that several large, well-funded businesses may have a strong economic opposition to the cannabis industry. The Company believes that the pharmaceutical industry does not want to cede control of any product that could generate significant revenue. For example, medical cannabis will likely adversely impact the existing market for the current "cannabis pill" sold by mainstream pharmaceutical companies. Further, the medical cannabis industry could face a material threat from the pharmaceutical industry should cannabis displace other drugs or encroach upon the pharmaceutical industry's products. The pharmaceutical industry is well funded with a strong and experienced lobby that eclipses that of the medical and retail cannabis industries. Any inroads the pharmaceutical industry made in halting or impeding the cannabis industry could have a detrimental impact on the Company Business.

The legality of cannabis could be reversed in one or more states of operation.

The voters or legislatures of states in which cannabis has been legalized could potentially repeal applicable laws which permit both the operation of medical and retail cannabis businesses. These actions might force the Company to cease the Company Business.

Enforceability of contracts.

It is a fundamental principle of law that a contract will not be enforced if it involves a violation of law or public policy. Notwithstanding that cannabis related businesses operate pursuant to the laws of states in which such activity is legal under state law, judges have on a number of occasions refused to enforce contracts for the repayment of money when the loan was used in connection with activities that violate federal law, even if there is no violation of state law. There remains doubt and uncertainty that the Company will be able to legally enforce contracts it enters into if necessary. As the Company cannot be assured that it will have a remedy for breach of contract, the Company and its members must bear the risk of the uncertainty in the law. If borrowers fail or refuse to repay loans and the Company is unable to legally enforce its contracts, the Company may suffer substantial losses for which it has no legal remedy.

Risk of criminal prosecutions for money laundering.

One possible repercussion for members and other investors in the Company is a prosecution for violation of federal money laundering statutes, specifically U.S.C.A. § 1956 and § 1957. Because these statutes criminalize certain transactions involving the proceeds of activity which is itself criminal, it is possible that investors in the Company could be subject to prosecution for investing in, obtaining dividends from, or otherwise transacting with the Company. While there have been no recent prosecutions of investors in cannabis-related businesses for violation of either § 1956 or § 1957, this could change along with federal enforcement priorities.

Risk of civil asset forfeiture.

Because the cannabis industry remains illegal under federal law, any property owned by participants in the cannabis industry which is either used in the course of conducting such business, or are the proceeds of such business, could be subject to seizure by law enforcement and subsequent civil asset forfeiture. Even if the owners of the property were never charged with a crime, the property in question could still be seized and subject to an administrative proceeding by which, with minimal due process, it could be subject to forfeiture.

Risk of RICO prosecution or civil liability.

The Racketeer Influenced Corrupt Organizations Act ("**RICO**") criminalizes the use of any profits from certain defined "racketeering" activities in interstate commerce. While intended to provide an additional cause of action against organized crime, due to the fact that cannabis is illegal under U.S. federal law, the production and sale of cannabis qualifies cannabis related businesses as "racketeering" as defined by RICO. As such, all officers, managers and owners in a cannabis

related business could be subject to criminal prosecution under RICO, which carries substantial criminal penalties.

RICO can create civil liability as well: persons harmed in their business or property by actions which would constitute racketeering under RICO often have a civil cause of action against such "racketeers," and can claim triple their amount of estimated damages in attendant court proceedings. The Company as well as its officers, managers and owners could all be subject to civil claims under RICO.

Legal uncertainty.

Laws and regulations affecting the medical and retail cannabis industry are constantly changing, which could detrimentally affect the Company's proposed operations. Local, state and federal cannabis laws and regulations are broad in scope and subject to evolving interpretations, which could require the Company to incur substantial costs associated with compliance or alter its business plan. For example, adult use cannabis regulations in Massachusetts have been substantially amended multiple times. In addition, violations of these laws, or allegations of such violations, could disrupt the Company Business and result in a material adverse effect on its operations. In addition, it is possible that regulations may be enacted in the future that will be directly applicable to the Company's proposed business, including, but not limited to, regulations or laws impacting the amount of production that the Company is authorized to produce. The Company cannot predict the nature of any future laws, regulations, interpretations or applications, nor can the Company determine what effect additional governmental regulations or administrative policies and procedures, if promulgated, could have on the Company Business.

Business Risks

Economic environment; pandemic.

The Company's operations could be affected by the economic context should the unemployment level, interest rates or inflation reach levels that influence consumer trends and consequently, impact the Company's sales and profitability. As well, general demand for banking services and alternative banking or financial services cannot be predicted and future prospects of such areas might be different from those predicted by the Company's management.

Additionally, a serious pandemic or a natural disaster could severely disrupt global, national and/or regional economies. The current outbreak of the COVID-19 novel and highly contagious coronavirus has resulted in health and other government authorities requiring the closure of offices or other businesses, including office buildings, retail stores and other commercial venues and has resulted in a general economic decline, all of which could have an adverse effect on the Company's revenue or ability to operate its business. No assurance can be given as to the effect of these events on the Company's operations.

The Company Business is dependent on the acquisition and retention of various licenses.

The Company Business is dependent on obtaining various licenses from various municipalities and the state licensing agencies. There can be no assurance that any or all licenses necessary to operate the Company Business will be obtained. If a licensing body were to determine the Company had violated the applicable rules and regulations, there is a risk the licenses granted could be revoked, which would prevent the operation of the Company Business. Further, there is no guarantee the Company will be able to obtain any additional licenses necessary to expand the Company Business.

The Company's management team or other owners could be disqualified from ownership in the Company.

The Company Business is in a highly regulated industry in which many states have enacted extensive rules for ownership of a participant company. The Company's managers or other owners (which could include the members of the Company) could become disqualified from having an ownership stake in the Company under relevant laws and regulations of applicable state and/or local regulators, if the applicable manager or owner is convicted of a certain type of felony or fails to meet the requirements for owning equity in a company like the Company.

The Company may have difficulty accessing the service of banks and bankruptcy protections, which may make it difficult for them to operate or unwind.

Since the use of cannabis is illegal under federal law, there is a compelling argument that banks cannot lawfully accept for deposit funds from businesses involved with cannabis. Consequently, businesses involved in the cannabis industry often have trouble finding a bank willing to accept their business. The inability to open bank accounts may make it difficult for the Company to operate and the reliance on cash can result in a heightened risk of theft. Additionally, some courts have denied cannabis businesses bankruptcy protection, thus, making it very difficult for lenders to recoup their investments.

The Company will not have full access to federal intellectual property protections.

The United States Patent and Trademark Office does not allow trademarks directly related to cannabis and cannabis products to be registered due to the illegal nature of the business and products under federal law. While patent protection for inventions related to cannabis and cannabis products is available, there are substantial difficulties faced in the patent process by cannabis related businesses. There can be no assurances that any proprietary business processes, patents, copyrights or trademarks that may be issued to a cannabis business will offer any degree of protection.

Insurance risks.

In the United States, many cannabis related companies are subject to a lack of adequate insurance coverage including, without limitation, general coverage for cultivating cannabis and traditional commercial insurance covering dispensary transit. In addition, many insurance companies may deny claims for any loss relating to cannabis for reasons such as it is illegal under federal law, a contract for an illegal item is unenforceable or there can be no insurable interest in an illegal item.

Product liability in cannabis-related companies.

Many cannabis related companies are subject to strict product liability laws where a cannabis related retailer who sells a defective product to a consumer is subject to liability for any harm that befalls that consumer due to the defect. For example, a retailer who sells cannabis infused products could be held liable if that product was tainted in the manufacturing process or inadequately labeled and a consumer subsequently fell ill, even if the retailer had nothing to do with the manufacturing process. Any suit against any cannabis related business could adversely affect the Company and cause substantial losses for the Company. This area of law is unsettled and there is very little statutory or case law regarding cannabis and products liability.

Risks associated with young industries.

The cannabis industries in those states which have legalized such activity are not yet well- developed, and many aspects of these industries' development and evolution cannot be accurately predicted. While the Company has attempted to identify many risks specific to the cannabis and hemp industries, prospective investors should carefully consider that there are probably other risks that the Company has not foreseen or not mentioned in this document, which may cause prospective members to lose some, or all, of such prospective member's investment. Given the limited history, it is difficult to predict whether this market will continue to grow or whether it can be maintained. For example, as a result of the Company's limited operating history in a new industry, it is difficult to discern meaningful or established trends with respect to the purchase activity of the Company's customers.

The Company expects that the market will evolve in ways which may be difficult to predict. For example, the Company anticipates that over time it will reach a point in most markets where the Company has achieved a market penetration such that investments in new customer acquisition are less productive and the continued growth of the Company's revenue will require more focus on increasing the rate at which the Company's existing customers purchase products. In the event of these or any other changes to the market, the Company's continued success will depend on the Company's ability to successfully adjust the Company's strategy to meet the changing market dynamics. If the Company is unable to successfully adapt to changes in the Company's markets, the Company's business, financial condition and results of operations could suffer a material negative impact.

Possible shrinkage or lack of growth in the industry.

If no additional states, U.S. territories or countries allow the legal use of cannabis , or if one or more jurisdictions which currently allow it were to reverse position, the Company may not be able to grow, or the market for the Company's products and services may decline. There can be no assurance that the number of jurisdictions which allow the use of cannabis will grow, and if it does not, there can be no assurance that the existing jurisdictions will not reverse position and disallow such use. If either of these events were to occur, not only would the growth of the Company's business be materially impacted in an adverse manner, but the Company may experience declining revenue as the market for the Company's products and services declines.

Product risks.

The Company's product line is in a new and unique product category and there can be no guarantee the product will be appealing to consumers, or will be a success commercially. Cannabis products have not been recognized as safe by the Food and Drug Administration, for example. As with any product, there is the possibility that a claim could be brought against the Company if any consumer has a negative reaction to the product.

Illiquid investment, restrictions on transfer.

The Common Units are subject to legal and other restrictions on transfer and are investments for which no liquid market exists. As a consequence, a member may not be able to sell his, her or its Common Units if a member desired to do so, or to realize what he, she or it perceives to be its fair value in the event of a sale or liquidation. There is no market for the Common Units and it should not be assumed that a public market will develop. The Common Units may not be resold, transferred or otherwise disposed of by any holder except in compliance with applicable securities laws and the transfer restrictions contained in the Purchase Agreement and the Operating Agreement. Accordingly, Investors in this offering may not be able to liquidate their investment in the Company, or pledge the investment as collateral, and should consider their investment to be long-term.

Indemnification.

The Operating Agreement provides that under certain circumstances the managers and officers of the Company and/or others may be indemnified by the Company for any liabilities or losses arising out of activities in connection with the Company. Indemnification under such provision could reduce or deplete the assets of the Company.

Member may lose the right to hold the underlying equity securities.

A member may encounter an event (such as a criminal conviction) that would disqualify the member from owning equity in a licensed cannabis business, and thereby trigger the relevant provisions of the Operating Agreement. Additionally, aside from as provided for in the Subscription Agreement and the Operating Agreement, events, including a change in control of the Company, a liquidation or an event of insolvency, could occur prior to the time that a member is able to receive the benefit of any liquidation from a sale of the Company or a sale of Common Units.

Unitholders may owe taxes in excess of cash distributions from the Company.

Notwithstanding applicable provisions in the Operating Agreement, members may become subject to income tax liability for Company income in excess of the cash they actually receive from the Company. For example, if the Company borrows money, a member's share of Company revenues used to pay principal on the loan will be included in its taxable income from the Company and will not be deductible; income from operations may be accrued by the Company in one tax year,

although payment is not actually received until the following year; taxable income or gain may be allocated to a member of the Company if there is a deficit in its capital account even though the member does not receive a corresponding distribution of Company revenues; and Company revenues may be expended for non-deductible costs or retained to establish a reserve for future estimated costs.

Common Units not registered under the Securities Act or state Blue Sky laws.

The Common Units will not be registered for public sale or resale under the Securities Act or the securities laws of any state, in reliance upon exemptions which depend in part upon the investment intent of the Investors. There is no present plan to register the Common Units in the future. Accordingly, the Common Units must be acquired for investment purposes only and not with a view to resale or other distribution. Such Common Units may only be offered and sold to such persons who are "accredited investors" as defined in Rule 501 of Regulation D promulgated under the Securities Act. Such Common Units will be offered without registration in reliance upon the Securities Act exemption for transactions not involving a public offering. Investors will be required to make certain representations to the Company, including that they are acquiring interests in the Company for their own account, for investment purposes only and not with a view to their distribution.

Risks associated with investing in securities in general.

Investment in the Common Units involves a high degree of risk, including the risk of the loss of all capital. The Company makes no guarantee or representation that the Company will achieve its business objectives or that a member will receive a return of his, her or its capital. Making an investment in the Company is speculative. Prospective members should carefully consider, among other factors, the matters described in this section, each of which could have a material adverse effect on the value of the Common Units offered hereby. As a result of these factors, as well as other risks set forth elsewhere in this document, there can be no assurance that the Company will be able to implement the business plan or that the Common Units will be of value in the future. A prospective member should only invest in the Common Units as part of an overall investment strategy and only if the prospective member is able to withstand a total loss of his, her or its investment.

Absence of operating history.

The Company was formed in 2018 and has extremely limited operating history on which to base an evaluation of its business and prospects and its success, if any, will be entirely dependent on its management and employees. The past performance, existing relationships and historic growth of the Company cannot be relied upon as indicia of future performance or success of the Company. The Company faces risks in developing its products and eventually bringing them to market. The Company also faces risks that it will lose some or all of the Company's market share in existing businesses to competition, or that its business model becomes obsolete. Many of the Company's business projects are not yet developed, and can be considered subject to risk associated with development-level businesses. The Company operates in a rapidly evolving market. Accordingly, the Company's future prospects are difficult to evaluate, with the risk that the Company may not be successful. The Company will encounter risks and difficulties as a company operating in a rapidly evolving market and may not be able to successfully address

these risks and difficulties, which could materially harm its business and operating results. The risks detailed herein are material risks faced by the Company. If any of these risks occur, the Company's business, its ability to receive revenues, its operating results and its financial condition could be seriously harmed.

Need for additional financing.

The Company anticipates that it will be able to raise sufficient capital to fund its anticipated development and operation through various sources. However, the estimated budget is based on certain assumptions, including assumptions related to the performance of the business, and there can be no assurance that unanticipated unbudgeted costs will not be incurred or that the business will not perform as expected. Future events, including problems, delays, expenses and difficulties frequently encountered in the industry, as well as changes in economic, regulatory or competitive conditions, may lead to cost increases that could make it necessary or advisable for the Company to seek additional financing. There can be no assurance that the Company would be able to obtain any necessary additional financing on terms acceptable to the Company, if at all. Also, additional financings may result in dilution of equity stakes in the Company.

Ability to obtain requisite permits.

Prior to beginning operations in a particular state, the Company's subsidiaries must obtain certain operating, building and safety, and other necessary permits. The Company's subsidiaries are in the process of obtaining such permits as required by law. The Company cannot guarantee that approval of such permits will be completed in the time frame required for beginning operations as planned. While the Company believes there should be no impediments to granting any necessary permits and licenses, or obtaining any consents or approvals, no assurances can be made that they will be obtained.

Reliance on management; potential disqualification of managers.

The Company's Board of Managers has discretionary authority to structure, manage and monitor the Company's activities, as well as to commit the Company assets, and, in doing so, has no responsibility to consult with any member. The continued availability of the services of the Company's managers is critical to the Company's success, and the Company has no key executive insurance on such managers. The Company's managers could become disqualified from having an ownership stake in the Company under the cannabis agencies' interpretation of the relevant state laws and regulations if any manager is convicted of a certain type of felony or fails to meet the residency requirements for owning equity in a company like the Company. The loss of services of any key manager, officer or employee or consultant may have a material adverse effect on the Company.

Manager conflict of interest.

The managers and their principals and employees are not required to render exclusive services in connection with the Company. Consequently, the managers or one or more of their principals or employees may render services in connection with other business projects, including other projects in the cannabis industry, during any and or all phases of operations. Furthermore, there may be conflicts of interest between a manager on the one hand, and the Company and its other members on the other. Such conflicts may include cash distribution policies, working capital reserve policies, and the opening of other enterprises in the cannabis industry by the managers.

Dependence on successful recruiting efforts.

The Company's long-term success is heavily dependent upon its ability to recruit and train qualified personnel, including key management, industry talent, and technical and marketing personnel. Competition for highly qualified professional, technical, talent, business development, and management and marketing personnel is intense. There can be no assurance that the Company will be successful in attracting, training, or retaining the key personnel required to execute its business plan. If the Company is unsuccessful in its recruiting efforts, such failure could have a material adverse effect on its business, results of operations, financial condition and forecasted financial results.

Risks associated with valuation.

The assumption of Company value underlying this offer may not be representative of fair market value. There is no market for the Company's Units. Likewise, no independent appraisal or valuation has been performed on the Company. Consequently, the Company has arbitrarily determined the value of the Company based on several factors: estimates of the Company's business potential and earnings prospects; the present state of the Company's development; assessment of the Company's management; the Company's capital needs; and consideration of these factors in relation to the market evaluations of comparable companies, the current conditions of the Company's industry, and the economy as a whole. There can be no assurance that the valuation is representative of fair market value.

Fluctuation of operating results.

The Company and its management expect that the Company will experience substantial variations in net sales and operating results from quarter to quarter due to customer acceptance of its products. If customers do not accept the Company's products, its sales and revenues will decline, resulting in a reduction in its operating income. Customer interest for the Company's products could also be impacted by the timing of the Company's introduction of new products. If competitors introduce new products around the same time that the Company issues new products, and if such competing products are superior to the Company's, customers' desire for the Company's products could decrease, resulting in a decrease in Company sales and revenue. The Company may also lose market share to better-funded, aggressive competitors, particularly if large pharmaceutical companies or alcohol or tobacco companies decide to compete against the Company. Increased competition is likely to result in lower sales volumes, price reductions and reduced revenue and gross margins.

Risks inherent in an agricultural business

Adult-use and medical cannabis are agricultural products. There are risks inherent in the agricultural business, such as insects, plant diseases and similar agricultural risks. Although the products are usually grown indoors under climate-controlled conditions, with conditions monitored, there can be no assurance that natural elements will not have a material adverse effect on the production of the Company's subsidiaries' products.

Vulnerability to rising energy costs

Adult-use and medical cannabis growing operations consume considerable energy, making the Company potentially vulnerable to rising energy costs. Rising or volatile energy costs may have a material adverse effect as to the business, results of operations, financial condition or prospects of the Company.

Product recalls

Manufacturers and distributors of products are sometimes subject to the recall or return of their products for a variety of reasons, including product defects, such as contamination, unintended harmful side effects or interactions with other substances, packaging safety and inadequate or inaccurate labeling disclosure. Such recalls cause unexpected expenses of the recall and any legal proceedings that might arise in connection with the recall. This can cause loss of a significant amount of sales. In addition, a product recall may require significant management attention. Although the Company's subsidiaries have detailed procedures in place for testing its products, there can be no assurance that any quality, potency or contamination problems will be detected in time to avoid unforeseen product recalls, regulatory action or lawsuits. Additionally, if one of the Company's subsidiaries' brands or products were subject to recall, the image of that brand and the Company could be harmed. Additionally, product recalls can lead to increased scrutiny of operations by applicable regulatory agencies, requiring further management attention and potential legal fees and other expenses.

Results of future clinical research

Research in Canada, the U.S. and internationally regarding the medical benefits, viability, safety, efficacy, dosing and social acceptance of cannabis or isolated cannabinoids remains in early stages. There have been relatively few clinical trials on the benefits of cannabis or isolated cannabinoids (such as CBD and THC). Future research and clinical trials may raise concerns regarding, and perceptions relating to, cannabis. Given these risks, uncertainties and assumptions, prospective Investors should not place undue reliance on existing articles and reports. Future research studies and clinical trials may reach negative conclusions regarding the medical benefits, viability, safety, efficacy, dosing, social acceptance or other facts and perceptions related to cannabis, which could have a material adverse effect on the demand for the Company's products with the potential to lead to a material adverse effect on the Company's business, financial condition, results of operations or prospects.

Reliance on key inputs

The cannabis business is dependent on a number of key inputs and their related costs including raw materials and supplies related to growing operations, as well as electricity, water and other local utilities. Any significant interruption or negative change in the availability or economics of the supply chain for key inputs could materially impact the business, financial condition, results of operations or prospects of the Company. Some of these inputs may only be available from a single supplier or a limited group of suppliers. If a sole source supplier was to go out of business, the Company might be unable to find a replacement for such source in a timely manner or at all. If a sole source supplier were to be acquired by a competitor, that competitor may elect not to sell to the Company in the future. Any inability to secure required supplies and services or to do so on appropriate terms could have a materially adverse impact on the business, financial condition, results of operations or prospects of the Company.

Competition from synthetic production and technological advances

The pharmaceutical industry may attempt to dominate the cannabis industry through the development and distribution of synthetic products which emulate the effects and treatment of organic cannabis. If they are successful, the widespread popularity of such synthetic products could change the demand, volume and profitability of the cannabis industry. This could adversely affect the ability of the Company to obtain long-term profitability and success through the sustainable and profitable operation of its business. There may be unknown additional regulatory fees and taxes that may be assessed in the future.

Constraints on marketing products

The development of the Company's business and operating results may be hindered by applicable restrictions on sales and marketing activities imposed by government regulatory bodies. The regulatory environment in the United States limits companies' abilities to compete for market share in a manner similar to other industries. If the Company is unable to effectively market its products and compete for market share, or if the costs of compliance with government legislation and regulation cannot be absorbed through increased selling prices for its products, the Company's sales and results of operations could be adversely affected.

Fraudulent or illegal activity by employees, contractors and consultants

The Company is exposed to the risk that its employees, independent contractors and consultants may engage in fraudulent or other illegal activity. Misconduct by these parties could include intentional, reckless and/or negligent unauthorized activities that violate: (i) government regulations; (ii) manufacturing standards; (iii) federal and provincial healthcare fraud and abuse laws and regulations; or (iv) laws that require the true, complete and accurate reporting of financial information or data. It may not always be possible for the Company to identify and deter misconduct by its employees and other third parties, and the precautions taken by the Company to detect and prevent this activity may not be effective in controlling unknown or unmanaged risks or losses or in protecting the Company from governmental investigations or other actions or

lawsuits stemming from a failure to be in compliance with such laws or regulations. If any such actions are instituted against the Company, and it is not successful in defending itself or asserting its rights, those actions could have a significant impact on the Company's business, including the imposition of civil, criminal and administrative penalties, damages, monetary fines, contractual damages, reputational harm, diminished profits and future earnings, and curtailment of the Company's operations, any of which could have a material adverse effect on the Company's business, financial condition, results of operations or prospects.

Information technology systems and cyber-attacks

The Company's operations depend, in part, on how well it and its suppliers protect networks, equipment, and information technology systems and software against damage from a number of threats, including, but not limited to, cable cuts, damage to physical plants, natural disasters, intentional damage and destruction, fire, power loss, hacking, computer viruses, vandalism and theft. The Company's operations also depend on the timely maintenance, upgrade and replacement of networks, equipment, IT systems and software, as well as pre-emptive expenses to mitigate the risks of failures. Any of these and other events could result in information system failures, delays and/or increase in capital expenses. The failure of information systems or a component of information systems could, depending on the nature of any such failure, adversely impact the Company's reputation and results of operations. The Company's risk and exposure to these matters cannot be fully mitigated because of, among other things, the evolving nature of these threats. As a result, cyber security and the continued development and enhancement of controls, processes and practices designed to protect systems, computers, software, data and networks from attack, damage or unauthorized access is a priority. As cyber threats continue to evolve, the Company may be required to expend additional resources to continue to modify or enhance protective measures or to investigate and remediate any security vulnerabilities.

Security breaches

Given the nature of the Company's products and its deficit of legal availability, as well as the concentration of inventory in its facilities, despite meeting or exceeding all legislative security requirements, there remains a risk of shrinkage as well as theft. A security breach at one of the Company's facilities could expose the Company to additional liability and to potentially costly litigation, increase expenses relating to the resolution and future prevention of these breaches and may deter potential patients from choosing the Company's products.

In addition, the Company collects and stores personal information about its patients and is responsible for protecting that information from privacy breaches. A privacy breach may occur through procedural or process failure, information technology malfunction, or deliberate unauthorized intrusions. Theft of data for competitive purposes, particularly patient lists and preferences, is an ongoing risk whether perpetrated via employee collusion or negligence or through deliberate cyber-attack. Any such theft or privacy breach would have a material adverse effect on the Company's business, financial condition and results of operations.

THE FOREGOING LIST OF RISK FACTORS DOES NOT PURPORT TO BE A COMPLETE ENUMERATION OR EXPLANATION OF THE RISKS INVOLVED IN AN INVESTMENT IN THE COMPANY. EACH INVESTOR SHOULD READ THIS AGREEMENT IN ITS ENTIRETY AND CONSULT WITH THE INVESTOR'S OWN ADVISOR BEFORE DECIDING WHETHER TO INVEST IN THE COMPANY. IN ADDITION, AS THE COMPANY'S INVESTMENT PROGRAM DEVELOPS AND CHANGES OVER TIME, AN INVESTMENT IN THE COMPANY MAY BE SUBJECT TO ADDITIONAL AND DIFFERENT RISK FACTORS.

EXHIBIT C

TERM SHEET

Issuer:	Ascend Wellness Holdings, LLC (the "**Company**").
Issue:	Unsecured convertible notes of the Company (the "**Convertible Notes**"). Each Convertible Note will be convertible into equity securities of the Company, as described in greater detail below.
Issue Size:	Up to US$30,000,000 principal amount of Convertible Notes or such greater amount as may be determined by the Company (the "**Offering**").
Coupon:	Interest on the Convertible Notes will accrue commencing on the Closing Date of the Note at a rate of: (a) eight percent (8%) per annum from the Closing Date through and including the twelve (12) month anniversary of the Closing Date, (b) ten percent (10%) per annum following the twelve (12) month anniversary of the Closing Date through and including the fifteen (15) month anniversary of the Closing Date, and (c) thirteen percent (13%) per annum following the fifteen (15) month anniversary of the Closing Date and thereafter; which interest will be "paid-in-kind" and added to the outstanding principal amount and be computed on the basis of a three hundred sixty five (365) day year. Notwithstanding anything to the contrary, in the event the Convertible Notes are converted prior to the twelve (12) month anniversary of the Closing Date, the interest payable will be calculated as of the twelve (12) month anniversary of the Closing Date. Interest paid to non-US holders may be subject to US withholding tax.

Maturity Date:	The term of the Convertible Notes will be for a period of 24 months from the Closing Date. Provided that no Go-Public Transaction (as defined herein) has occurred, on the Maturity Date, the principal aggregate amount of the Convertible Notes and the accrued and unpaid interest thereon will be payable in cash. Notwithstanding the foregoing, a holder of the Convertible Notes may elect to convert its principal amount of the Convertible Notes and the accrued and unpaid interest thereon, subject to applicable withholding tax, into Common Units of the Company ("**Common Units**"), at a price per Common Unit of $3.00 (subject to appropriate adjustments for future unit splits, unit dividends and similar recapitalization events, the "**Maturity Conversion Price**").
Minimum Investment:	US$100,000
Use of Proceeds:	The net proceeds from the Offering will be used for working capital requirements and other general corporate purposes, including potential acquisitions.
Conversion:	The Convertible Notes and the accrued and unpaid interest thereon, less applicable withholding tax, will automatically be converted into equity securities of the Company, which equity securities will automatically be exchanged for the same type of security (the "**Go-Public Security**") issued in connection with a Go-Public Transaction (as defined below), with such numbers of equity securities of the Company issued on the basis of a price equal to the lesser of: (a) (i) in the event the Go-Public Transaction occurs on or before 12 months from the Closing Date, a 20% discount to the issue price of the Go-Public Securities; (ii) in the event the Go-Public Transaction occurs after 12 months from the Closing Date, but before the Maturity Date, a 25% discount to the issue price of the Go-Public Securities; and (b) the equivalent per share price applicable to Common Units issued at the Maturity Conversion Price.
Go-Public Transaction:	A "**Go-Public Transaction**" shall be defined as the closing of: (i) a transaction resulting in the business or assets of the Company being listed (directly or indirectly) on the Canadian Securities Exchange or any other recognized securities exchange (the "**Stock Exchange**"), including but not limited to an initial public offering, plan of arrangement, amalgamation, reverse take-over or other business combination pursuant to which the securities of the Company (or any resulting issuer or parent thereof) are listed on the Stock Exchange; and (ii) a concurrent financing of equity securities of the Company for aggregate gross proceeds of greater than or equal to US$20,000,000. Convertible Note holders will not have the right on a Go-Public Transaction to be repaid the principal amount of the Convertible Notes and the accrued and unpaid interest thereon in cash by the Company. Instead, the Convertible Notes will automatically convert into equity securities of the Company, which equity securities will automatically be exchanged for Go- Public Securities.

Change of Control:	Other than in connection with the Go-Public Transaction, within 30 days following the consummation of: (i) any transaction (whether by purchase, merger or otherwise) whereby a person or persons acting jointly or in concert directly or indirectly acquires the right to cast, at a general meeting of shareholders of the Company, more than 50% of the votes that may be ordinarily cast at a general meeting; (ii) the Company's amalgamation, consolidation or merger with or into any other person or any merger of another person into the Company, unless in each case the holders of voting securities of the Company immediately prior to such amalgamation, consolidation or merger hold securities representing 50% or more of the voting control or direction in the Company or the successor entity upon completion of such amalgamation, consolidation or merger; or (iii) any conveyance, transfer, sale lease or other disposition of all or substantially all of the Company's and the Company's subsidiaries' assets and properties, taken as a whole, to another arm's length person (collectively, a "**Change of Control**"), the Company shall make an offer in writing to holders of Convertible Notes (the "**Change of Control Offer**") to, at the Convertible Note holders' election, either: (i) purchase the Convertible Notes from such holders for cash at 102% of the principal amount thereof and the accrued and unpaid interest thereon; or (ii) convert the Convertible Notes at a price equal to 95% of the Maturity Conversion Price. If 90% or more of the principal amount of the Convertible Notes outstanding on the date of the giving of notice of the Change of Control have been tendered to the Company pursuant to an offer made to the holders of all Convertible Notes, the Company will have the right to redeem all the remaining Convertible Notes for cash at 102% of the principal amount thereof and the accrued and unpaid interest thereon.

Form and Terms of Offering:	The Offering will be offered for purchase and sales (i) to accredited investors in Canada pursuant to available private placement exemptions; (ii) to "accredited investors" (within the meaning of Rule 501(a) of the United States Securities Act of 1933, as amended (the "**Securities Act**")) in the U.S. pursuant to available private placement exemptions; (iii) to investors resident in jurisdictions outside of Canada and the U.S., in each case in accordance with all applicable laws; provided that no prospectus, registration statement or similar document is required to be filed in such foreign jurisdiction. The Convertible Notes will not be qualified investments under the Income Tax Act (Canada) for registered accounts. The Convertible Notes may not be transferred in the United States other than to an "institutional accredited investor" in compliance with an available exemption from the registration requirements of the Securities Act. All transfers of Convertible Notes will be subject to the prior approval of the Company in order to ensure compliance with applicable securities laws, including the Securities Act. At or prior to, and as a condition precedent in favor of the Company for, the Closing, each subscriber that is not a U.S. person shall deliver to the Company an IRS Form W-8BEN or W-8BEN-E and each subscriber that is a U.S. person shall deliver to the Company an IRS Form W-9, in each case in form and completed in a manner satisfactory to the Company. Each subscriber shall irrevocably grant to the Company and its designees an irrevocable proxy and power of attorney, with full power of substitution, with full power and authority in the subscriber's place and stead to execute and deliver all documents, instruments and agreements, including any lock-up agreement, in such manner and on such terms as is customary, in respect of such subscriber's equity securities of the Company in respect of the Go-Public Transaction, and to vote all voting securities of the Company in respect of the Notes prior to conversion in such manner as more fully described in the Subscription Agreement.
Hold Period:	The Company is a private company and there is currently no market through which its securities may be sold. Holders may not be able to resell Convertible Notes purchased under this Term Sheet. The Convertible Notes and the securities issuable thereunder may be subject to an indefinite hold period pursuant to applicable securities laws.
Conditions:	The Issue remains subject to receipt of Board of Managers approval by the Company and the completion of all customary documentation for transactions of this nature.
Closing Date:	Closing will be on a date or date(s) as the Company may determine.

EXHIBIT D

WIRE INSTRUCTIONS

(see attached)

FORM A

CANADIAN ACCREDITED INVESTOR STATUS CERTIFICATE

TO BE COMPLETED BY CANADIAN SUBSCRIBERS.

The categories listed herein contain certain specifically defined terms. If you are unsure as to the meanings of those terms, or are unsure as to the applicability of any category below, please contact your broker and/or legal advisor before completing this certificate.

TO: ASCEND WELLNESS HOLDINGS, LLC (the "**Company**")

In connection with the purchase by the undersigned Investor of the Convertible Notes, the Investor, on its own behalf or on behalf of each Disclosed Principal for whom the Investor is acting (collectively, the "**Investor**"), hereby represents, warrants, covenants and certifies to the Company (and acknowledges that the Company and its counsel are relying thereon) that:

(a) the Investor is resident in or otherwise subject to the securities laws of one of the Provinces of British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, Québec, New Brunswick, Nova Scotia, Prince Edward Island or Newfoundland and Labrador;

(b) the Investor is purchasing the Convertible Notes as principal for its own account and not for the benefit of any other person or is deemed to be purchasing as principal pursuant to NI 45-106;

(c) the Investor is an "accredited investor" within the meaning of NI 45-106 or Section 73.3 of the *Securities Act* (Ontario) on the basis that the Investor fits within one of the categories of an "accredited investor" reproduced below beside which the Investor has indicated the undersigned belongs to such category;

(d) the Investor was not created or used solely to purchase or hold securities as an accredited investor as described in paragraph (m) below;

(e) if the Investor is purchasing under category (j), (k) or (l) below, it has completed and signed Exhibit "I" attached hereto; and

(f) upon execution of this Form A by the Investor (and if applicable, Exhibit "I" to Form A), this Form A (and if applicable, Exhibit "I" to Form A) shall be incorporated into and form a part of the Subscription Agreement to which this Form A is attached.

(PLEASE CHECK THE BOX OF THE APPLICABLE CATEGORY OF ACCREDITED INVESTOR)

(a) (i) except in Ontario, a Canadian financial institution, or a Schedule III bank; or

(ii) in Ontario, a financial institution that is (A) a bank listed in Schedule I, II or III of the *Bank Act* (Canada); (B) an association to which the *Cooperative Credit Associations Act* (Canada) applies or a central cooperative credit society for which an order has been made under subsection 473(1) of that Act; or (C) a loan corporation, trust company, trust corporation, insurance company, treasury branch, credit union, caisse populaire, financial services cooperative or credit union league or federation that is authorized by a statute of Canada or Ontario to carry on business in Canada or Ontario, as the case may be;

(b) the Business Development Bank of Canada incorporated under the *Business Development Bank of Canada Act* (Canada);

(c) a subsidiary of any person or company referred to in paragraphs (a) or (b), if the person or company owns all of the voting securities of the subsidiary, except the voting securities required by law to be owned by directors of that subsidiary;

(d) a person or company registered under the securities legislation of a jurisdiction (province or territory) of Canada as an adviser or dealer (or in Ontario, except as otherwise prescribed by the regulations under the *Securities Act* (Ontario));

(e) an individual registered under the securities legislation of a jurisdiction of Canada as a representative of a person referred to in paragraph (d);

(e.1) an individual formerly registered under the securities legislation of a jurisdiction of Canada, other than an individual formerly registered solely as a representative of a limited market dealer under one or both of the *Securities Act* (Ontario) or the *Securities Act* (Newfoundland and Labrador);

(f) the Government of Canada or a jurisdiction (province or territory) of Canada, or any crown corporation, agency or wholly owned entity of the Government of Canada or a jurisdiction of Canada;

(g) a municipality, public board or commission in Canada and a metropolitan community, school board, the Comité de gestion de la taxe scolaire de l'île de Montréal or an intermunicipal management board in Québec;

(h) any national, federal, state, provincial, territorial or municipal government of or in any foreign jurisdiction, or any agency of that government;

(i) a pension fund that is regulated by either the Office of the Superintendent of Financial Institutions (Canada), a pension commission or similar regulatory authority of a jurisdiction (province or territory) of Canada;

(j) an individual who, either alone or with a spouse, beneficially owns financial assets having an aggregate realizable value that, before taxes, but net of any related liabilities, exceeds C$1,000,000 **(completion of Exhibit "I" is also required)**;

(j.1) an individual who beneficially owns financial assets having an aggregate realizable value that, before taxes but net of any related liabilities, exceeds C$5,000,000;

(k) an individual whose net income before taxes exceeded $200,000 in each of the two most recent calendar years or whose net income before taxes combined with that of a spouse exceeded C$300,000 in each of the two most recent calendar years and who, in either case, reasonably expects to exceed that net income level in the current calendar year **(completion of Exhibit "I" is also required)**;

(l) an individual who, either alone or with a spouse, has net assets of at least C$5,000,000 **(completion of Exhibit "I" is also required)**;

(m) a person, other than an individual or investment fund, that has net assets of at least C$5,000,000 as shown on its most recently prepared financial statements;

(n) an investment fund that distributes or has distributed its securities only to (i) a person that is or was an accredited investor at the time of the distribution, (ii) a person that acquires or acquired securities in the circumstances referred to in sections 2.10 [*Minimum amount investment*] or 2.19 [*Additional investment in investment funds*] of NI 45-106, or (iii) a person described in sub-paragraph (i) or (ii) that acquires or acquired securities under section 2.18 [*Investment fund reinvestment*] of NI 45-106;

(o) an investment fund that distributes or has distributed securities under a prospectus in a jurisdiction of Canada for which the regulator or, in Québec, the securities regulatory authority, has issued a receipt;

(p) a trust company or trust corporation registered or authorized to carry on business under the *Trust and Loan Companies Act* (Canada) or under comparable legislation in a jurisdiction of Canada or a foreign jurisdiction, acting on behalf of a fully managed account managed by the trust company or trust corporation, as the case may be;

(q) a person acting on behalf of a fully managed account managed by that person, if that person is registered or authorized to carry on business as an adviser or the equivalent under the securities legislation of a jurisdiction of Canada or a foreign jurisdiction;

(r) a registered charity under the *Income Tax Act* (Canada) that, in regard to the trade, has obtained advice from an eligibility adviser or an adviser registered under the securities legislation of the jurisdiction of the registered charity to give advice on the securities being traded;

(s) an entity organized in a foreign jurisdiction that is analogous to any of the entities referred to in paragraphs (a) to (d) or paragraph (i) in form and function;

(t) a person in respect of which all of the owners of interests, direct, indirect or beneficial, except the voting securities required by law to be owned by directors, are persons that are accredited investors;

(u) an investment fund that is advised by a person registered as an adviser or a person that is exempt from registration as an adviser;

(v) a person that is recognized or designated by the securities regulatory authority or, except in Ontario or Québec, the regulator as an accredited investor;

(w) a trust established by an accredited investor for the benefit of the accredited investor's family members of which a majority of the trustees are accredited investors and all of the beneficiaries are the accredited investor's spouse, a former spouse of the accredited investor or a parent, grandparent, brother, sister, child or grandchild of that accredited investor, of that accredited investor's spouse or of that accredited investor's former spouse; or

(x) in Ontario, such other persons or companies as may be prescribed by the regulations under the Securities Act (Ontario).
***If checking this category (x), please provide a description of how this requirement is met.

For the purposes hereof, the following definitions are included for convenience:

(a) "**bank**" means a bank named in Schedule I or II of the *Bank Act* (Canada);

(b) "**Canadian financial institution**" means (i) an association governed by the *Cooperative Credit Associations Act* (Canada) or a central cooperative credit society for which an order has been made under section 473(1) of that Act, or (ii) a bank, loan corporation, trust company, trust corporation, insurance company, treasury branch, credit union, caisse populaire, financial services cooperative,

or league that, in each case, is authorized by an enactment of Canada or a jurisdiction of Canada to carry on business in Canada or a jurisdiction of Canada;

(c) "**company**" means any corporation, incorporated association, incorporated syndicate or other incorporated organization;

(d) "**eligibility adviser**" means:

(i) a person that is registered as an investment dealer and authorized to give advice with respect to the type of security being distributed, and

(ii) in Saskatchewan or Manitoba, also means a lawyer who is a practicing member in good standing with a law society of a jurisdiction of Canada or a public accountant who is a member in good standing of an institute or association of chartered accountants, certified general accountants or certified management accountants in a jurisdiction of Canada provided that the lawyer or public accountant must not

(A) have a professional, business or personal relationship with the issuer, or any of its directors, executive officer, founders, or control persons, and

(B) have acted for or been retained personally or otherwise as an employee, executive officer, director, associate or partner of a person that has acted for or been retained by the issuer or any of its directors, executive officers, founders or control persons within the previous 12 months;

(e) "**executive officer**" means, for an issuer, an individual who is: (i) a chair, vice-chair or president, (ii) a vice-president in charge of a principal business unit, division or function including sales, finance or production, or (iii) performing a policy-making function in respect of the issuer;

(f) "**financial assets**" means (i) cash, (ii) securities, or (iii) a contract of insurance, a deposit or an evidence of a deposit that is not a security for the purposes of securities legislation;

(g) "**fully managed account**" means an account of a client for which a person makes the investment decisions if that person has full discretion to trade in securities for the account without requiring the client's express consent to a transaction;

(h) "**investment fund**" has the same meaning as in National Instrument 81-106 *Investment Fund Continuous Disclosure*;

(i) "**person**" includes: (i) an individual, (ii) a corporation, (iii) a partnership, trust, fund and an association, syndicate, organization or other organized group of persons whether incorporated or not, and (iv) an individual or other person in that person's capacity as a trustee, executor, administrator or personal or other legal representative.

(j) "**related liabilities**" means (i) liabilities incurred or assumed for the purpose of financing the acquisition or ownership of financial assets, or (ii) liabilities that are secured by financial assets;

(k) "**Schedule III bank**" means an authorized foreign bank named in Schedule III of the *Bank Act* (Canada);

(l) "**spouse**" means, an individual who, (i) is married to another individual and is not living separate and apart within the meaning of the *Divorce Act* (Canada), from the other individual, (ii) is living with another individual in a marriage-like relationship, including a marriage-like relationship between individuals of the same gender, or (iii) in Alberta, is an individual referred to in paragraph (i) or (ii), or is an adult interdependent partner within the meaning of the Adult Interdependent Relationships Act (Alberta); and

(m) "**subsidiary**" means an issuer that is controlled directly or indirectly by another issuer and includes a subsidiary of that subsidiary.

In NI 45-106 a person or company is an affiliate of another person or company if one of them is a subsidiary of the other, or if each of them is controlled by the same person.

In NI 45-106 and except in Part 2 Division 4 (Employee, Executive Officer, Director and Consultant Exemption) of NI 45-106, a person (first person) is considered to control another person (second person) if (a) the first person, beneficially owns or directly or indirectly exercises control or direction over securities of the second person carrying votes which, if exercised, would entitle the first person to elect a majority of the directors of the second person, unless that first person holds the voting securities only to secure an obligation, (b) the second person is a partnership, other than a limited partnership, and the first person holds more than 50% of the interests of the partnership, or © the second person is a limited partnership and the general partner of the limited partnership is the first person.

The foregoing representations contained in this certificate are true and accurate as of the date of this certificate and will be true and accurate as of the Closing Time (as defined in the Subscription Agreement to which this Form A is attached) and the Investor acknowledges that this Accredited Investor Status Certificate is incorporated into and forms a part of the Subscription Agreement to which it is attached. If any such representations shall not be true and accurate prior to the Closing Time, the undersigned shall give immediate written notice of such fact to the Company prior to the Closing Time.

Dated: _____	Signed: _____
_____	_____
Witness (If Investor is an Individual)	Print the name of Investor
_____	_____
Print Name of Witness	If Investor is a corporation or other entity, print name and title of Authorized Signing Officer

EXHIBIT "I" TO FORM A

FORM FOR INDIVIDUAL ACCREDITED INVESTORS

THIS "EXHIBIT I" TO FORM A IS TO BE COMPLETED BY ACCREDITED INVESTORS WHO ARE INDIVIDUALS SUBSCRIBING UNDER CATEGORIES (J), (K) OR (L) IN FORM A TO WHICH THIS EXHIBIT "I" IS ATTACHED.

WARNING!

This investment is risky. Don't invest unless you can afford to lose all the money you pay for this investment.

SECTION 1 TO BE COMPLETED BY THE ISSUER OR SELLING SECURITY SUBSCRIBER	
1. About your investment	
Type of securities: ***Convertible Note***	Issuer: ***Ascend Wellness Holdings, LLC***
Purchased from: ***Issuer***	
SECTIONS 2 TO 4 TO BE COMPLETED BY THE PURCHASER	
2. Risk acknowledgement	
This investment is risky. Initial that you understand that:	**Your Initials**
Risk of loss - You could lose your entire investment of US$. *[Instruction: Insert the total dollar amount of the investment.]*	
Liquidity risk - You may not be able to sell your investment quickly - or at all.	
Lack of information - You may receive little or no information about your investment.	
Lack of advice - You will not receive advice from the salesperson about whether this investment is suitable for you unless the salesperson is registered. The salesperson is the person who meets with, or provides information to, you about making this investment. To check whether the salesperson is registered, go to www.aretheyregistered.ca.	
3. Accredited investor status	
You must meet at least **one** of the following criteria to be able to make this investment. Initial the statement that applies to you. (You may initial more than one statement.) The person identified in section 6 is responsible for ensuring that you meet the definition of accredited investor. That person, or the salesperson identified in section 5, can help you if you have questions about whether you meet these criteria.	**Your initials**
• Your net income before taxes was more than C$200,000 in each of the two most recent calendar years, and you expect it to be more than C$200,000 in the current calendar year. (You can find your net income before taxes on your personal income tax return.)	
• Your net income before taxes combined with your spouse's was more than C$300,000 in each of the 2 most recent calendar years, and you expect your combined net income before taxes to be more than C$300,000 in the current calendar year.	

• Either alone or with your spouse, you own more than C$1 million in cash and securities, after subtracting any debt related to the cash and securities.	
• Either alone or with your spouse, you have net assets worth more than C$5 million. (Your net assets are your total assets (including real estate) minus your total debt.)	

4. Your name and signature

By signing this form, you confirm that you have read this form and you understand the risks of making this investment as identified in this form.

First and last name (please print):	
Signature:	Date:

SECTION 5 TO BE COMPLETED BY THE SALESPERSON

5. Salesperson information

[Instruction: The salesperson is the person who meets with, or provides information to, the purchaser with respect to making this investment. That could include a representative of the issuer or selling security holder, a registrant or a person who is exempt from the registration requirement.]

First and last name of salesperson (please print):	
Telephone:	Email:
Name of firm (if registered):	

SECTION 6 TO BE COMPLETED BY THE ISSUER OR SELLING SECURITY SUBSCRIBER

6. For more information about this investment

Ascend Wellness Holdings, LLC
1411 Broadway, 16th Floor
New York, NY 10018
Attention: Sarah Levy
Email: slevy@awholdings.com

For more information about prospectus exemptions, contact your local securities regulator. You can find contact information at www.securities-administrators.ca.

Form instructions:

1. *This form does not mandate the use of a specific font size or style but the font must be legible.*
2. *The information in sections 1, 5 and 6 must be completed before the purchaser completes and signs the form.*
3. *The purchaser must sign this form. Each of the purchaser and the issuer or selling security holder must receive a copy of this form signed by the purchaser. The issuer or selling security holder is required to keep a copy of this form for 8 years after the distribution.*

FORM B

INTERNATIONAL JURISDICTION CERTIFICATE

TO BE COMPLETED BY SUBSCRIBERS WHO ARE RESIDENT OUTSIDE OF CANADA AND THE UNITED STATES

Terms not otherwise defined herein will have the definition ascribed thereto in the Subscription Agreement to which this Form B is attached.

TO: ASCEND WELLNESS HOLDINGS, LLC (the "**Company**")

In connection with the purchase by the undersigned Investor of the Convertible Notes, the Investor, on its own behalf or on behalf of each Disclosed Principal for whom the Investor is acting (collectively, the "**Investor**"), hereby represents, warrants, covenants and certifies to the Company (and acknowledges that the Company and its counsel are relying thereon) that:

(a) the Investor is knowledgeable of, or has been independently advised as to, the applicable Securities Laws of the securities regulators having application in the jurisdiction in which the Investor is resident which would apply to the acquisition of the Convertible Notes (the "**International Jurisdiction**");

(b) the Investor is purchasing the Convertible Notes pursuant to exemptions from prospectus or equivalent requirements under applicable Securities Laws or, if such is not applicable, the Investor is permitted to purchase the Convertible Notes under the applicable Securities Laws of the securities regulators in the International Jurisdiction without the need to rely on any exemptions;

(c) the applicable Securities Laws of the authorities in the International Jurisdiction do not require the Company to make any filings or seek any approvals of any kind whatsoever from any securities regulator of any kind whatsoever in the International Jurisdiction in connection with the issue and sale or resale of the Convertible Notes (or Underlying Securities);

(d) the purchase of the Convertible Notes by the Investor does not trigger:

  (i) any obligation of the Company to prepare and file a prospectus, registration statement, offering memorandum or similar document, or any other report or notice with respect to such purchase in the International Jurisdiction;

  (ii) any continuous disclosure reporting obligation of the Company in the International Jurisdiction; or

  (iii) any registration or other similar obligation on the part of the Company in the International Jurisdiction;

(e) the distribution of the Convertible Notes (and the Underlying Securities) to the Investor by the Company complies with the laws of the International Jurisdiction;

(f) the Investor will, if requested by the Company, deliver to the Company a certificate or opinion of local counsel from the International Jurisdiction which will confirm the matters referred to in paragraphs (b), (c), (d) and (e) above to the satisfaction of the Company, acting reasonably; and

(g) the Investor will not sell, transfer or dispose of the Convertible Notes (or the Underlying Securities) except in accordance with all applicable Securities Laws of the securities regulators in the International Jurisdiction and the Investor acknowledges that the Company shall have no obligation to register any purported sale, transfer or disposition.

The foregoing representations, warranties, covenants and certifications contained in this certificate are true and accurate as of the date of this certificate and will be true and accurate as of the Closing Time (as defined in the Subscription Agreement to which this Form B is attached) and the Investor acknowledges that this international jurisdiction certificate is incorporated into and forms a part of the Subscription Agreement to which it is attached. If any such representations, warranties and certifications shall not be true and accurate prior to the Closing Time, the undersigned shall give immediate written notice of such fact to the Company prior to the Closing Time.

Dated: _____	Signed: _____
_____	_____
Witness (If Investor is an Individual)	Print the name of Investor
_____	_____
Print Name of Witness	If Investor is a corporation or other entity, print name and title of Authorized Signatory

FORM C

U.S. ACCREDITED INVESTOR CERTIFICATE

Investors that are U.S. Accredited Investors must review and complete the following U.S. Accredited Investor Certificate.

Terms not otherwise defined herein will have the definition ascribed thereto in the Subscription Agreement to which this Form C is attached.

TO: ASCEND WELLNESS HOLDINGS, LLC (the "**Company**")

The undersigned (the "**Investor**"), on behalf of itself and any Disclosed Principal, represents, warrants and covenants (which representations, warranties and covenants shall survive the Closing) to and with the Company and acknowledges that the Company is relying thereon that:

(a) it (and any Disclosed Principal), alone or with the assistance of its professional advisors, has such knowledge and experience in financial and business matters as to be capable of evaluating the merits and risks of its investment in the Convertible Notes and is able, without impairing its financial condition, to hold the Convertible Notes or the Underlying Securities for an indefinite period of time and to bear the economic risks, and withstand a complete loss, of such investment;

(b) it (and any Disclosed Principal) acknowledges that the Convertible Notes and the Underlying Securities have not been and will not be registered under the U.S. Securities Act or the securities laws of any state of the United States, and will, therefore, be "restricted securities", as such term is defined under Rule 144(a)(3) under the U.S. Securities Act, and that the offer and sale of the Convertible Notes to it will be made in reliance upon an exemption from registration available to the Company pursuant to Rule 506(b) of Regulation D under the U.S. Securities Act and/or Section 4(a)(2) thereof;

(c) it is purchasing the Convertible Notes for its own account, or for the account of another U.S. Accredited Investor over which it exercises sole investment discretion, for investment purposes only and not with a view to resale or distribution and, in particular, it has no intention to distribute either directly or indirectly any of the Convertible Notes or the Underlying Securities in the United States; provided, however, that this paragraph shall not restrict the Investor (and any Disclosed Principal) from selling or otherwise disposing of any of the Convertible Notes or the Underlying Securities pursuant to a registration statement effective under the U.S. Securities Act and any applicable state securities laws or under an exemption from such registration requirements;

(d) it (and any Disclosed Principal) is a U.S. Accredited Investor that satisfies one or more of the categories of U.S. Accredited Investor indicated below (the Investor must mark "S" for the Investor and "DP" for the Disclosed Principal on the appropriate line(s)):

Category 1.	_____	A bank, as defined in section 3(a)(2) of the U.S. Securities Act, whether acting in its individual or fiduciary capacity; or
Category 2.	_____	A savings and loan association or other institution as defined in section 3(a)(5)(A) of the U.S. Securities Act, whether acting in its individual or fiduciary capacity; or
Category 3.	_____	A broker or dealer registered pursuant to section 15 of the United States Securities Exchange Act of 1934, as amended; or
Category 4.	_____	An insurance company as defined in section 2(a)(13) of the U.S. Securities Act; or

Category 5. _____ An investment company registered under the United States Investment Company Act of 1940, as amended; or

Category 6. _____ A business development company as defined in section 2(a)(48) of the United States Investment Company Act of 1940, as amended; or

Category 7. _____ A small business investment company licensed by the U.S. Small Business Administration under section 301 (c) or (d) of the United States Small Business Investment Act of 1958, as amended; or

Category 8. _____ A plan established and maintained by a state, its political subdivisions or any agency or instrumentality of a state or its political subdivisions, for the benefit of its employees, with total assets in excess of U.S.$5,000,000; or

Category 9. _____ An employee benefit plan within the meaning of the United States Employee Retirement Income Security Act of 1974, as amended, in which the investment decision is made by a plan fiduciary, as defined in section 3(21) of such Act, which is either a bank, savings and loan association, insurance company or registered investment adviser, or an employee benefit plan with total assets in excess of U.S. $5,000,000 or, if a selfdirected plan, with investment decisions made solely by persons who are accredited investors; or

Category 10. _____ A private business development company as defined in section 202(a)(22) of the United States Investment Advisers Act of 1940, as amended; or

Category 11. _____ An organization described in section 501(c)(3) of the United States Internal Revenue Code, a corporation, a Massachusetts or similar business trust, or a partnership, not formed for the specific purpose of acquiring the securities offered, with total assets in excess of U.S.$5,000,000; or

Category 12. _____ Any director or executive officer of the Company; or

Category 13. _____ A natural person (including an Individual Retirement Account ("**IRA**") owned by such person) with individual net worth, or joint net worth with that person's spouse, at the time of this purchase exceeds U.S.$1,000,000;

Note:

(i) person's primary residence shall not be included as an asset;

(ii) indebtedness that is secured by the person's primary residence, up to the estimated fair market value of the primary residence at the time of the sale of securities, shall not be included as a liability (except that if the amount of such indebtedness outstanding at the time of the sale of securities exceeds the amount outstanding 60 days before such time, other than as a result of the acquisition of the primary residence, the amount of such excess shall be included as a liability); and

(ii) indebtedness that is secured by the person's primary residence in excess of the estimated fair market value of the primary residence at the time of the sale of securities shall be included as a liability; or

Category 14. _____ A natural person (including an IRA owned by such person) who had an individual income in excess of U.S.$200,000 in each of the two most recent years or joint income with that person's spouse in excess of

C- 3 B5219985.3 U.S.$300,000 in each of those years and has a reasonable expectation of reaching the same income level in the current year; or

Category 15. _____ A trust, with total assets in excess of U.S.$5,000,000, not formed for the specific purpose of acquiring the securities offered, whose purchase is directed by a sophisticated person as described in Rule 506(b)(2)(ii) under the U.S. Securities Act; or

Category 16. _____ Any entity in which all of the equity owners meet the requirements of at least one of the above categories;

(e) it (and any Disclosed Principal) has not purchased the Convertible Notes as a result of any form of "general solicitation" or "general advertising" (as used in Rule 502(c) of Regulation D under the U.S. Securities Act), including, without limitation, any advertisements, articles, notices or other communications published in any newspaper, magazine or similar media or broadcast over radio, television or internet or any seminar or meeting whose attendees have been invited by "general solicitation" or "general advertising";

(f) it (and any Disclosed Principal) agrees that if it decides to offer, sell, pledge or otherwise transfer any of the Convertible Notes or the Underlying Securities, it will not offer, sell, pledge or otherwise transfer any of such securities, directly or indirectly, unless the transfer is:

(i) pursuant to a registration statement effective under the U.S. Securities Act and applicable state securities laws; or

(ii) pursuant to an exemption from registration under the U.S. Securities Act;

and, in either case, it has furnished to the Company an opinion of counsel of recognized standing in form and substance reasonably satisfactory to the Company to such effect;

(g) the Convertible Notes purchased hereunder will be represented by physical certificates and it understands and acknowledges that upon the original issuance thereof, and until such time as the same is no longer required under applicable requirements of the U.S. Securities Act or applicable state securities laws, certificates representing the Securities and all certificates issued in exchange therefore or in substitution thereof, will bear the legends set forth in the Subscription Agreement;

(h) it (and any Disclosed Principal) has had the opportunity to ask questions of and receive answers from the Company regarding the investment, and has received all the information regarding the Company that it has requested;

(i) it (and any Disclosed Principal) has had access to such information concerning the Company as it has considered necessary or appropriate in connection with its investment decision to acquire the Convertible Notes;

(j) it (and any Disclosed Principal) is aware that purchasing, holding and disposing of the Convertible Notes or the Underlying Securities may have tax consequences under the laws of both Canada and the United States, the tax consequences for prospective investors who are resident in, or citizens of, the United States are not described in this Subscription Agreement, and it is solely responsible for determining the tax consequences applicable to its particular circumstances and should consult its own tax advisors concerning investment in the Convertible Notes; in particular, but without limitation, no determination has been made whether the Company is or will be a "passive foreign investment company" within the meaning of section 1297 of the United States Internal Revenue Code of 1986, as amended; and

(k) it (and any Disclosed Principal) acknowledges that the representations, warranties and covenants contained in this Schedule are made by it with the intent that they may be relied upon by the Company in determining its eligibility to purchase the Convertible Notes. It (and any Disclosed Principal) agrees that by accepting

the Convertible Notes, it shall be representing and warranting that the representations and warranties above are true as at the Closing and as at the date of conversion of Convertible Notes for the Underlying Securities with the same force and effect as if they had been made by it at the Closing and that they shall survive the purchase by it of the Convertible Notes and shall continue in full force and effect notwithstanding any subsequent disposition by it of the Convertible Notes.

The Investor undertakes to notify the Company immediately of any change in any representation, warranty or other information relating to the Investor (and any Disclosed Principal) set forth herein which takes place prior to the Closing.

If a Corporation, Partnership or Other Entity:

Name of Entity

Type of Entity

Signature of Person Signing

Print or Type Name and Title of Person Signing

If an Individual:

Signature

Print or Type Name

FORM D

W-8BEN (*Non U.S. Individuals*)
W-8BEN-E (*Non U.S. Entities*)

(see attached)

FORM E

W-9
(*U.S. Persons – individuals or entities*)

(see attached)

EMPLOYMENT AGREEMENT

This Employment Agreement (this "Agreement") dated as of March 22, 2021 (the "Effective Date") is made and entered into by and between Ascend Wellness Holdings, LLC, a Delaware limited liability company with a principal place of business at 1411 Broadway, 16th Floor, New York, NY 10018 (the "Company"), and Abner Kurtin, an individual whose principal business address is in care of the Company at 1411 Broadway, 16th Floor, New York, NY 10018 (the "Executive").

RECITALS

WHEREAS, the Executive has served as the Chief Executive Officer of the Company since its inception; and

WHEREAS, the parties desire to memorialize the terms of such employment, on the terms and conditions hereinafter set forth.

AGREEMENT

NOW, THEREFORE, in consideration of the foregoing premises and the mutual promises, terms, provisions and conditions set forth in this Agreement, the parties hereby agree:

1. Employment. Subject to the terms and conditions set forth in this Agreement, the Company hereby offers, and the Executive hereby accepts, continued employment as Chief Executive Officer of the Company.

2. Term. Subject to earlier termination as hereinafter provided, the Executive's employment hereunder shall be for a term of three (3) years, commencing on the Effective Date, and, on the third anniversary of the Effective Date and each annual anniversary of the Effective Date thereafter, shall be automatically extended for successive terms of one (1) year each, unless either the Company or the Executive provides notice (a "Non-Renewal Notice") to the other at least 90 days prior to expiration of the original or any extension term that the Executive's employment hereunder is not to be so extended. The term of this Agreement, as from time to time extended or renewed, is hereafter referred to as "the term of this Agreement" or "the term hereof."

3. Capacity and Performance.

(a) During the term hereof, the Executive shall serve the Company as Chief Executive Officer, reporting directly to the Board of Directors of the Company (the "Board").

(b) During the term hereof, the Executive shall be employed by the Company on a full-time and diligent basis and shall perform such duties and responsibilities on behalf of the Company as are customarily performed by a Chief Executive Officer of a company of comparable size and as may be reasonably designated from time to time by the Board.

(c) During the term hereof, for so long as the Executive is employed as the Company's Chief Executive Officer, the Company will nominate the Executive for re-election to the Board and the Executive shall serve in such other officer and/or director positions with any affiliate of the Company (for no additional compensation) as may be determined by the Board (excluding the Executive) from time to time. For purposes of this Agreement, an "affiliate" of the Company shall mean any person or entity that that directly or indirectly controls, or is under common control with, or is controlled by, the Company, and as used in this definition, "control" (including, with its correlative meanings, "controlled by" and "under common control with") shall mean possession, directly or indirectly, of power to direct or cause the direction of management or policies (whether through ownership of voting equity interests, by contract or otherwise).

(d) During the term hereof, the Executive shall not, directly or indirectly, render any services of a business, commercial or professional nature to any person or entity other than the Company (or any affiliate thereof), whether for compensation or otherwise, without the prior written consent of the Board (excluding the Executive), which shall not be unreasonably withheld. For the avoidance of doubt, notwithstanding the foregoing, the Executive may (i) engage in the activities set forth on Exhibit A hereto so long as such activities do not (A) individually or in the aggregate, interfere with the performance of the Executive's duties under this Agreement and (B) materially change in nature or scope of the Executive's engagement after the Effective Date, in which case the Executive shall not be permitted to continue such engagement without the prior written consent of the Board (excluding the Executive) and (ii) engage in educational, charitable and civic activities and manage the Executive's personal investments and affairs, in each case, so long as such activities (A) do not, individually or in the aggregate, interfere with the performance of the Executive's duties under this Agreement and (B) are not contrary to the interests of the Company or any of its affiliates or competitive in any way with the Company or any of its affiliates.

4. Compensation and Benefits. As compensation for all services performed by the Executive under this Agreement and during the term hereof and subject to performance of the Executive's duties and obligations to the Company pursuant to this Agreement:

(a) Base Salary. The Company shall pay the Executive a base salary at the rate of $1,000,000 per annum. The Executive's base salary shall be payable in accordance with the payroll practices of the Company for its executives and subject to increase from time to time by the Board (excluding the Executive), in its sole discretion. The base salary set forth in this Section 4(a), as from time to time increased, is hereafter referred to as the "Base Salary."

(b) Annual Bonus Compensation. For each fiscal year that ends during the term hereof, the Executive shall be eligible to earn an annual bonus (the "Annual Bonus"). The Executive's annual target bonus opportunity for each such fiscal year shall be equal to 100% of Base Salary (the "Target Bonus"), based on the achievement of target performance goals established by the Compensation Committee of the Board (the

"Compensation Committee"). If the Company and/or the Executive achieves superior performance goals established by the Compensation Committee for any fiscal year, then the Executive shall be eligible to earn an additional 100% of Base Salary as part of his Annual Bonus for such fiscal year, for total Annual Bonus eligibility of 200% of Base Salary (the "Maximum Annual Bonus"). If threshold performance goals are not achieved for any fiscal year, then the Executive shall not receive an Annual Bonus for such fiscal year. The Annual Bonus, if any, will be paid within thirty (30) days after the Board's approval of the Company's and its subsidiaries' consolidated audited financial statements for the fiscal year to which such Annual Bonus relates (and in all events in the fiscal year immediately following the fiscal year to which such Annual Bonus relates).

(c) Bonus upon Change of Control Event. Upon the consummation of a change of control (as defined in the 2021 Incentive Plan), and concurrent with the payment of any consideration to any other holders of capital stock of the Company in connection with such change of control, the Executive shall be deemed to have earned the Maximum Annual Bonus (the "Change in Control Bonus") for each fiscal year during the remainder of the Term (inclusive of partial fiscal years). Notwithstanding anything to the contrary contained herein, the obligations of the Company to pay the Change of Control Bonus to Executive shall survive any termination of this Agreement by reason of death, disability or termination of employment of Executive without limitation, except that the Company's obligation to pay the Change of Control Bonus shall terminate concurrently with any termination of Executive's employment for Cause (as defined in Section 5(c) below).

(d) Equity Incentives. Subject to the approval of the Board (excluding the Executive), on or as soon as reasonably practicable after the Effective Date, the Executive will be granted 2,500,000 Restricted Stock Units pursuant to and as defined in the Company's 2021 Equity Incentive Plan (the "2021 Incentive Plan") and subject to the terms and conditions of the applicable award agreement. During the term hereof, the Executive shall be eligible to receive additional equity grants under the 2021 Incentive Plan, or any successor plan for the issuance of stock options, restricted stock, or other equity incentives hereafter maintained by the Company and in which other senior executives of the Company participate. Any and all additional grants to the Executive under the 2021 Incentive Plan or any such successor plan shall be made at the sole discretion of the Board (excluding the Executive) and shall be subject to the terms and conditions of the applicable award agreement.

(e) Vacations. During the term hereof, the Executive shall be entitled to vacation, personal days, sick time and similar paid time off benefits in accordance with the applicable policies of the Company, as in effect from time to time.

(f) Insurance Benefits. During the term hereof and subject to any contribution therefor generally required of employees of the Company, the Executive shall be eligible to participate in any medical, dental and disability insurance plans maintained by the Company from time to time (collectively, the "Insurance Benefits"). The Executive's participation in such Insurance Benefits shall be subject to applicable law, the terms of the

applicable plan documents and generally applicable Company policies. Notwithstanding anything herein to the contrary, the Company may amend, modify or terminate any Insurance Benefits at any time in its discretion.

(g) Business Expenses. During the term hereof, the Company shall promptly pay or reimburse the Executive for all reasonable, customary and necessary business expenses incurred or paid by the Executive in the performance of his duties and responsibilities hereunder, subject to any reasonable maximum annual limit and other restrictions on such expenses set by the Board (excluding the Executive) and otherwise in accordance with the Company's then-prevailing policies and procedures for expense reimbursement (including such reasonable substantiation and documentation as may be specified by the Company from time to time).

5. Termination of Employment and Severance Benefits. Notwithstanding the provisions of Section 2 hereof, the Executive's employment hereunder shall terminate prior to the expiration of the term under the following circumstances:

(a) Death. In the event of the Executive's death during the term hereof, the Executive's employment hereunder shall immediately and automatically terminate. In such event, the Company shall pay to the Executive's designated beneficiary or, if no beneficiary has been designated by the Executive, to his estate, (i) the Base Salary earned but not paid through the date of termination (to be paid in accordance with the Company's normal payroll policies or at such earlier time as required by applicable law), (ii) the value of any vacation time earned but not used through the date of termination (to be paid in accordance with the Company's policies and applicable law), (iii) any Annual Bonus earned under Section 4(b) with respect to the fiscal year immediately preceding the fiscal year in which such termination occurs, but only to the extent unpaid as of the date of termination (with any such earned Annual Bonus to be paid at the same time as if no such termination had occurred), and (iv) any business expenses incurred by the Executive but unreimbursed as of the date of termination, provided that such expenses are reimbursable under Company policy (with such expenses to be reimbursed in accordance with the Company's expense reimbursement policies as in effect from time to time) (all of the foregoing, "Final Compensation"). In addition to Final Compensation, if the Executive's employment terminates due to his death during the term hereof, the Executive will be entitled to (x) a prorated portion of any Annual Bonus earned for the fiscal year in which such termination occurs (calculated as the Annual Bonus that would have been paid for such fiscal year, multiplied by a fraction, the numerator of which is equal to the number of days the Executive worked for the Company in such fiscal year, and the denominator of which is equal to the total number of days in such fiscal year), with any such prorated Annual Bonus to be paid at the same time as if no such termination had occurred (the "Prorated Bonus") and (y) the Benefit Continuation he would have been entitled to receive under clause (iii) of Section 5(d) below had the Executive been terminated by the Company other than for Cause in accordance with such Section 5(d). The Company shall have no further obligation to the Executive or his estate hereunder.

(b) Disability.

(i) The Company may terminate the Executive's employment hereunder, upon notice to the Executive, in the event that the Executive becomes disabled during his employment hereunder through any illness, injury, accident or condition of either a physical or psychological nature and, as a result, is unable to perform substantially all of his duties and responsibilities hereunder, with or without reasonable accommodation, for any period of ninety (90) consecutive days or more, or one hundred eighty (180) days (whether or not consecutive) during any period of three hundred and sixty-five (365) consecutive calendar days. In the event of such termination, the Company shall pay to the Executive the Final Compensation and shall otherwise comply with the provisions of this Section 5(b). In addition to such Final Compensation, the Executive will be entitled to (x) the Prorated Bonus and (y) the Benefit Continuation he would have been entitled to receive under clause (iii) of Section 5(d) below had the Executive been terminated by the Company other than for Cause in accordance with such Section 5(d). The Company shall have no further obligation to the Executive hereunder.

(ii) In lieu of terminating the Executive's employment hereunder, the Board may designate another employee to act in the Executive's place during any period of the Executive's disability. Notwithstanding any such designation, the Executive shall continue to receive the Base Salary in accordance with Section 4(a) and Insurance Benefits in accordance with Section 4(e), to the extent permitted by the then-current terms of the applicable benefit plans, until the Executive becomes eligible for long-term disability income benefits under the Company's disability income plan (or any disability insurance policy of the Company).

(iii) If the Executive becomes eligible to receive disability income payments under the Company's disability income plan (or any disability insurance policy of the Company), the Executive shall be entitled to receive Base Salary under Section 4(a) hereof less the amount of such disability income payments being made to the Executive, and shall continue to participate in Company benefit plans in accordance with Section 4(e) and as permitted by the terms of such plans, in each case, until the termination of his employment.

(iv) Any determination as to whether during any period the Executive is disabled through any illness, injury, accident or condition of either a physical or psychological nature so as to be unable to perform substantially all of his duties and responsibilities hereunder shall be made by a physician satisfactory to both the Executive (or his duly appointed guardian) and the Company, *provided* that if the Executive and the Company do not agree on a physician, the Executive and the Company shall each select a physician and these two together shall select a third physician, whose determination as to disability shall be binding on all parties. If the Executive shall fail to submit to such medical examination, the Company's determination of the issue shall be binding on the Executive.

(c) By the Company for Cause. The Company may terminate the Executive's employment hereunder for Cause at any time upon notice to the Executive setting forth in reasonable detail the nature of such Cause. The following shall constitute "Cause" for termination:

(i) Repeated or willful refusal, failure or neglect by the Executive to perform the material duties of his employment or to follow the directions of the Board (other than by reason of the Executive's physical or mental illness or impairment);

(ii) The Executive's committing any act of fraud, embezzlement, or theft;

(iii) The Executive's material violation of the Company's policies;

(iv) The Executive's behavior or engagement in any acts that may interfere with the ability of the Company or any of its affiliates to maintain a license to harvest, cultivate, process, or sell cannabis or otherwise continue to operate its business;

(v) The Executive's breach of any non-disclosure, non-disparagement, non-competition, non-solicitation, assignment of inventions agreement or other restrictive covenants set forth herein, other than the Executive's inadvertent and immaterial breach of any non-competition or non-disclosure obligation that is not otherwise detrimental to the Company or any of its affiliates, as determined by the Board (excluding the Executive);

(vi) The Executive's conviction of a felony (including pleading guilty or nolo contendere to a felony) or commitment of other acts causing a material detriment to the reputation, the business or a business relationship of the Company or any of its affiliates; provided, however, that for the avoidance of doubt, no conviction or plea of nolo contendere of a felony or crime that occurs solely as a result of a violation of U.S. federal law concerning cannabis or the cannabis industry shall be deemed to constitute "Cause", so long as (A) the acts, omissions, conduct or activity related to cannabis or the cannabis industry giving rise to any such conviction or plea of nolo contendere of a felony or crime could be reasonably believed to be in compliance with applicable state and local laws and (B) such conviction or plea of nolo contendere is not likely to interfere with the ability of the Company or any of its affiliates to maintain a license to harvest, cultivate, process, or sell cannabis or otherwise continue to operate its business;

(vii) The Executive's willful engagement in dishonesty, illegal conduct (other than solely as a result of a violation of U.S. federal law concerning cannabis or the cannabis industry, so long as (A) the acts, omissions, conduct or activity related to cannabis or the cannabis industry giving rise to such illegal conduct could be reasonably believed to be in compliance with applicable state and local laws and (B) such illegal conduct is not likely to interfere with the ability of the Company or any of its affiliates to maintain a license to harvest, cultivate, process, or sell cannabis or

otherwise continue to operate its business), or gross misconduct, which in each case is materially injurious (monetarily or otherwise) to the Company or its affiliates; or

(viii) The Executive's material breach of the terms of this Agreement.

For purposes of this provision, no act or failure to act on the part of the Executive shall be considered "willful" unless it is done, or omitted to be done, by the Executive in bad faith or without reasonable belief that the Executive's action or omission was in the best interests of the Company. Any act, or failure to act, based on authority given pursuant to a resolution duly adopted by the Board or on the advice of counsel for the Company shall be conclusively presumed to be done, or omitted to be done, by the Executive in good faith and in the best interests of the Company.

Termination of the Executive's employment shall not be deemed to be for Cause unless and until (I) the Company has given notice thereof to the Executive specifying in reasonable detail the conduct constituting "Cause," (II) solely with respect to the conduct described in clauses (i), (iii), (iv), (v) and (viii) above, the Executive fails to cure and correct his conduct (if capable of cure and correction) within thirty (30) days after such notice, and (III) the Company delivers to the Executive a copy of a resolution duly adopted by the affirmative vote of not less than two-thirds (2/3) of the Board (excluding the Executive) (after the Executive is given an opportunity, together with counsel, to be heard before the Board), finding in good faith that the Executive has engaged in the conduct described in any of (i)-(viii) above.

Upon the giving of notice of termination of the Executive's employment hereunder for Cause, the Company shall have no further obligation hereunder to the Executive, other than for Final Compensation.

(d) By the Company Other than for Cause or by Giving a Non-Renewal Notice. The Company may terminate the Executive's employment hereunder other than for Cause (and other than in connection with the Executive's death or disability) at any time upon ninety (90) days' written notice to the Executive; provided that, during such 90-day notice period (or any portion thereof), the Executive may be required to work remotely from his residence or the Company may place the Executive on garden leave, and in all events, the Company may prohibit the Executive from entering any premises of the Company or any of its affiliates, contacting any employee, customer, vendor or supplier of the Company or any of its affiliates or accessing any property of the Company or any of its affiliates. In the event of such termination, or in the event that the Executive's employment is terminated as a result of the Company's Non-Renewal Notice pursuant to Section 2 hereof, then (i) the Company shall pay to the Executive the Final Compensation, (ii) the Company shall pay the Executive an amount equal to two (2) times the sum of Base Salary and Annual Bonus earned by the Executive for the full fiscal year immediately preceding the fiscal year in which such termination occurs (the "Termination Compensation"), payable in substantially equal installments in accordance with the Company's normal payroll practices as in effect from time to time, over the twelve (12) month period immediately following the termination date (with the first payment to be made on the first payroll date following the

effective date of the Employee Release (as defined below) and to include a catch-up to cover any payment that would have been made prior to such date had the Employee Release been effective on the termination date); provided that, if such termination date occurs prior to the conclusion of one full fiscal year of employment, it shall be assumed, for purposes of determining the Termination Compensation, that Executive earned one full fiscal year of his current Base Salary and achieved an Annual Bonus of 100% of his current Base Salary; provided, further, that, if (and only if) such termination date occurs within eighteen (18) months after a Change of Control Event (as defined below), then the Termination Compensation shall be payable to the Executive in a lump sum payment on the first payroll date following the effective date of the Employee Release (rather than in installments, as provided above in this clause (ii)), (iii) subject to any employee contribution applicable to the Executive as of immediately prior to the date of termination, the Company shall continue to pay the cost of the Executive's participation in the Company's medical and dental insurance plans for a period of twelve (12) months, provided that if the Executive's continued participation in such plans would result in a violation of any non-discrimination rules or result in any fines, penalties or excise taxes to the Company or any of its affiliates or if the Executive is otherwise not eligible to continue participation in such plans under applicable law or plan terms, then, to the extent possible without resulting in such violation, fines, penalties or excise taxes, the Company shall instead make monthly cash payments to the Executive in an amount equal to the employer portion of the monthly insurance premiums that would have been applicable had the Executive been eligible to continue such participation (the benefit described in this clause (iii), collectively, the "Benefit Continuation"), (iv) the Prorated Bonus, and (v) notwithstanding the terms of any other agreement, instrument or document to the contrary (including without limitation any vesting terms, performance criteria or other conditions, and regardless of whether entered into before or after the date of this Agreement), upon such termination, Executive's right to purchase or otherwise acquire any equity securities of the Company under any stock option or other agreement, instrument, plan, program or arrangement outstanding or in effect on the effective date of such termination shall thereupon vest in full (subject only to the payment of the applicable exercise or purchase price, if any, and provided that any equity awards that are subject to the satisfaction of performance goals shall be deemed earned at target performance), and any right of the Company or any subsidiary to repurchase any equity securities of the Company from Executive, whether arising under any option, agreement, instrument, plan, program, arrangement or otherwise, shall thereupon terminate. For purposes of this Agreement, the term "Change of Control Event" shall mean the consummation, after the Effective Date, of (i) the sale of all or substantially all of the Company's assets or at least a majority of voting power of the capital stock of the Company, (ii) any liquidation, dissolution or winding up of the Company, or (iii) the merger or consolidation of the Company with or into another entity, except a merger or consolidation in which the holders of capital stock of the Company immediately prior to such merger or consolidation continue to hold at least 50% of the voting power of the capital stock of the Company or the surviving or acquiring entity, as applicable; provided, however, that no event described in the foregoing clauses (i), (ii) and (iii) shall constitute a Change of Control Event for purposes of this Agreement

unless it satisfies the requirements of Treasury Regulation Section 1.409A-3(i)(5)(v) or (vii).

(e) Any obligation of the Company to make the payments and provide the benefits to the Executive under Section 5 (other than Final Compensation) is conditioned, however, upon the Executive (or his estate or legal representative, as applicable) signing a general release of claims and covenant not to sue in such form and substance as may be agreed to by the Company and the Executive (or his estate or legal representative, as applicable) (the "Employee Release") within twenty-one days (or such greater period as the Company may specify) (the "Release Period") following the date of termination of employment and upon the Executive (or his estate or legal representative, as applicable) not revoking the Employee Release during the 7-day revocation period following the execution of the Employee Release (the "Revocation Period"). Notwithstanding the foregoing, if payment of Termination Compensation and the Benefit Continuation could commence in more than one taxable year based on when the Employee Release could become effective, then to the extent required by Section 409A of the Code, any such payments that would have been made during the calendar year in which the Executive's employment terminates shall instead be withheld and paid on the first payroll date in the calendar year immediately after the calendar year in which the Executive's employment terminates, with all remaining payments to be made as if no such delay had occurred.

(f) By the Executive for Good Reason. The Executive may terminate his employment hereunder for Good Reason, upon notice to the Company setting forth in reasonable detail the nature of such Good Reason. The following shall constitute "Good Reason", subject to the notice and cure periods set forth below, unless the Executive shall have consented in writing to any of the following:

(i) any reduction in the Executive's Base Salary other than in connection with a general reduction in base salaries that affects all similarly situated executives in substantially the same proportions;

(ii) any reduction in the Executive's Target Bonus or Maximum Annual Bonus opportunity (other than solely as a result of a reduction in Base Salary);

(iii) any failure by the Company to nominate the Executive for re-election to the Board and to use its best efforts to have the Executive re-elected (other than as a result of a Change of Control Event, which shall be governed by this Section 5(f)(v)), or any change in the Executive's title as Chief Executive Officer of the Company;

(iv) any diminution in the Executive's responsibilities or authority within the Company, or any alteration in the nature or status of Executive's position, title or responsibilities or the conditions of Executive's employment, including the requirement for the Executive to report to any person(s) other than the Board, in any case without his prior written consent, other than any of the foregoing that occurs as a result of a Change of Control Event (which shall be governed by this Section 5(f)(v));

(v) in the event of a Change of Control Event, any failure by the acquirer to (a) make an offer of employment to the Executive for a base salary, target bonus and maximum bonus opportunity amounts that are substantially comparable in the aggregate to the Executive's Base Salary and Annual Bonus (taking into consideration both the Target Bonus and the Maximum Annual Bonus) each as of immediately prior to such sale, (b) nominate the Executive for election to the Board of the acquirer, (c) offer the Executive a position with duties, responsibilities and authority that are materially comparable to the Executive's duties, responsibilities and authority as Chief Executive Officer of the Company (disregarding any duties, responsibilities and authority the Executive had as a member of the Board or as an officer or director of any affiliate of the Company) as of immediately prior to such sale;

(vi) any failure by the Company to comply with any material provision of this Agreement; and

(vii) any requirement that the Executive relocate the principal place of his work for the Company such that his existing commute is increased by more than 50 miles.

Notwithstanding the foregoing, Good Reason shall not be deemed to exist unless (x) the Executive gives the Company written notice within ninety (90) days after the Executive first has knowledge of the occurrence of the event which the Executive believes constitutes the basis for Good Reason, specifying the particular act or failure to act which the Executive believes constitutes the basis for Good Reason, (y) the Company fails to cure such act or failure to act within sixty (60) days after receipt of such notice and (z) the Executive terminates his employment within sixty (60) days after the end of the period specified in clause (y).

In the event of termination in accordance with this Section 5(f), then the Executive will be entitled to the same payments and benefits (i.e., the Final Compensation, the Termination Compensation, the Benefit Continuation, the Prorated Bonus and acceleration of equity vesting (or termination of Company repurchase rights, as applicable)) he would have been entitled to receive had the Executive been terminated by the Company other than for Cause (and not due to his death or disability) in accordance with Section 5(d) above (subject to the terms of Section 5(e) above).

(g) By the Executive Other than for Good Reason or by Giving a Non-Renewal Notice. The Executive may terminate his employment hereunder at any time upon ninety (90) days' prior written notice to the Company. In the event of termination of the Executive's employment pursuant to this Section 5(g), or if the Executive should give a Non-Renewal Notice pursuant to Section 2 hereof, the Board may elect to waive the period of notice, or any portion thereof, and, if the Board so elects, the Company will pay the Executive the Final Compensation and, to the extent permitted under (and subject to the terms of) the applicable plan documents, provide the Insurance Benefits for the notice period (or any portion thereof) so waived. Upon such employment termination, the

Company shall have no further obligation hereunder to the Executive, other than for any Final Compensation and Prorated Bonus due to him.

(h) Post-Agreement Employment. In the event the Executive remains in the employ of the Company or any of its subsidiaries following termination of this Agreement, by the expiration of the term hereof or otherwise, then such employment shall be at will.

6. Effect of Termination. The provisions of this Section 6 shall apply to a termination of the Executive's employment with the Company hereunder, whether due to the expiration of the term hereof, pursuant to Section 5 or otherwise.

(a) Payment by the Company of any applicable Final Compensation, Termination Compensation, Benefit Continuation, acceleration of equity vesting (or termination of Company repurchase rights, as applicable) and/or any other amounts or benefits that may be due the Executive in each case under the applicable termination provision of Section 5 shall constitute the entire obligation of the Company to the Executive, and the Executive shall not be entitled to additional payments or benefits under any other severance agreement or executive severance plan of the Company. Upon request of the Company, the Executive shall promptly give the Company notice of all facts necessary for the Company to determine the amount and duration of its obligations in connection with any termination pursuant to Section 5 hereof.

(b) Except for the Benefit Continuation and equity-security related benefits pursuant to Section 5(d) or 5(f) hereof, all benefits shall terminate pursuant to the terms of the applicable benefit plans based on the date of termination of the Executive's employment without regard to any continuation of any applicable Termination Compensation or other payment to the Executive following such date of termination.

(c) Provisions of this Agreement shall survive any termination of Executive's employment hereunder if so provided herein or if necessary or desirable to accomplish the purposes of other surviving provisions, including without limitation the Restrictive Covenants (as defined below). The obligation of the Company to make payments and provide benefits to or on behalf of the Executive under 5(b), 5(d), 5(f) or 5(g) hereof (other than the Final Compensation) is expressly conditioned upon the Executive's continued compliance with the Restrictive Covenants; provided that (i) the Company may not discontinue any such payments and benefits (or require repayment of any such payments or benefits already provided to the Executive) unless the Company has provided written notice to the Executive setting forth in reasonable detail the nature of such non-compliance and, if the nature of such non-compliance is such that it is capable of being remedied by the Executive without any damage to the Company, as determined by the Board (excluding the Executive), the Executive shall have failed to remedy such non-compliance within ten (10) days following receipt of such notice (it being understood that if the nature of such non-compliance is such that it is not capable of being remedied by the Executive without any damage to the Company, as determined by the Board (excluding the Executive), the Company may discontinue such payments and benefits at such time as it provides such written notice to the Executive) and (ii) to the extent curable, the Company may suspend or

discontinue such payments or benefits thereafter only during such period as such non-compliance continues. The Executive recognizes that, except as expressly provided in Section 5, no compensation is earned after termination of employment.

7. Restrictive Covenants. As an inducement and as essential consideration for the Company to enter into this Agreement, and in exchange for other good and valuable consideration, the Executive hereby agrees to the restrictive covenants contained in this Section 7 (the "Restrictive Covenants"). The Company and the Executive agree that the Restrictive Covenants are essential and narrowly tailored to preserve the goodwill of the business of the Company and its affiliates, to maintain the confidential and trade secret information of the Company and its affiliates, and to protect other legitimate business interests of the Company and its affiliates in light of their niche businesses and the executive position held by the Executive. The Company and the Executive further agree that the Company would not have entered into this Agreement without the Executive's agreement to the Restrictive Covenants. For purposes of the Restrictive Covenants, each reference to "Company" and "affiliate" shall also refer to the predecessors and successors of the Company and any of its affiliates (as the case may be).

(a) Non-Competition. During the period commencing on the Effective Date and ending on the date that is twelve (12) months after the date on which the Executive's employment hereunder terminates (the "Termination Date"), regardless of the reason for the Executive's termination of employment and regardless of who initiates such termination (such period, the "Non-Competition Period"), the Executive shall not, anywhere in the United States or in any other country or jurisdiction in which the Company or any of its affiliates conducts or conducted business during the Non-Competition Period, either directly or indirectly, as a proprietor, partner, stockholder, director, executive, employee, consultant, joint venturer, member, investor, lender or otherwise, engage or assist others to engage in, or own, manage, operate or control, or participate in the ownership, management, operation or control of, or become employed or engaged by any person or entity that (i) is engaged in the business of the cultivation, manufacture and/or sale of cannabis or (ii) is, or has taken steps to become, competitive with the current business, activities, products or services of the type conducted, authorized, offered, or provided by the Company or any of its affiliates, or with respect to prospective business, activities, products or services which the Company or any of its affiliates (with the Executive's knowledge or involvement) has spent significant time or resources analyzing for the purposes of assessing expansion opportunities by the Company or any of its affiliates during the twelve (12) month period immediately prior to the Termination Date, in each case except as set forth on Exhibit A or otherwise approved by the Board at any time prior to the Termination Date (the "Competitive Business"). Notwithstanding the foregoing, nothing in this Section 7(a) shall prevent the Executive from (i) participating in any or all of the engagements or activities set forth on Exhibit A hereto so long as such engagements or activities do not (A) individually or in the aggregate, interfere with the performance of the Executive's duties under this Agreement and (B) materially change in the nature or scope of the Executive's engagement after the Effective Date or (ii) owning, as a passive investor, up to two percent (2%) of the securities of any entity that are publicly traded on a national securities exchange.

(b) Customer Non-Solicitation. During the period commencing on the Effective Date and ending on the date that is twelve (12) months after the Termination Date, regardless of the reason for the Executive's termination of employment and regardless of who initiates such termination, the Executive shall not (except on the Company's behalf during the term hereof), for purposes of providing products or services that are competitive with those provided by the Company or any of its affiliates, directly or indirectly, on the Executive's own behalf or on behalf of any other person or entity, contact, solicit, divert, induce, call on, take away, or do business with (or attempt to do any of the foregoing) any customer or client of the Company or any of its affiliates (or any person or entity who, during the twelve (12) months prior to the Termination Date, was engaged in mutual contact, discussion or correspondence with the Company in respect of becoming a customer or client of the Company or any of its affiliates) with whom the Executive had contact within the twelve (12) months immediately prior to the Termination Date.

(c) Service Provider Non-Solicitation. During the period commencing on the Effective Date and ending on the date that is twelve (12) months after the Termination Date, regardless of the reason for the Executive's termination of employment and regardless of who initiates such termination, the Executive shall not (except on the Company's behalf during the term hereof), directly or indirectly, on the Executive's own behalf or on behalf of any other person or entity, solicit for employment or engagement, employ or engage, or interfere with the employment or engagement of (or attempt to do any of the foregoing) any individual who (A) is employed by, or an independent contractor of, the Company or any of its affiliates at the time of such solicitation, interference or attempt thereof or (B) was employed by, or an independent contractor of, the Company or any of its affiliates within twelve (12) months prior to such solicitation, employment, engagement, interference or attempt thereof.

(d) Non-Disparagement. During the term hereof and at all times thereafter, (I) the Executive shall not, directly or through any other person or entity, make any public or private statements (whether orally, in writing, via electronic transmission, or otherwise) that disparage, denigrate or malign (i) the Company or any of its affiliates, (ii) any of the businesses, activities, operations, affairs, reputations or prospects of the Company or any of its affiliates, or (iii) any of the officers, employees, directors, managers, partners (general and limited), agents, members or shareholders of any of the persons or entities described in any of clauses (i) or (ii) and (II) none of the members of the Board shall, and the Company shall not instruct any of its employees or employees of any of its affiliates to, directly or through any other person or entity, make any public or private statements (whether orally, in writing, via electronic transmission, or otherwise) that disparage, denigrate or malign the Executive. For purposes of clarification, and not limitation, a statement shall be deemed to disparage, denigrate or malign a person or entity if such statement could be reasonably construed to adversely affect the opinion any other person or entity may have or form of such first person or entity. No obligation under this Section 7(d) shall be violated by truthful statements (x) made to any governmental authority, (y) which are in connection with legal process, required governmental testimony or filings, or administrative or arbitral

proceedings (including, without limitation, depositions in connection with such proceedings) or (z) made in performance reviews.

(e) Confidentiality; Return of Property. During the term hereof and at all times thereafter, the Executive shall not, without the prior express written consent of the Company, directly or indirectly, use on the Executive's behalf or on behalf of any other person or entity, or divulge, disclose or make available or accessible to any person or entity, any Confidential Information (as defined below), other than when required to do so in good faith to perform the Executive's duties and responsibilities hereunder while employed by the Company, or when required to do so by a lawful order of a court of competent jurisdiction, any governmental authority or agency, or any recognized subpoena power. Nothing in this Section 7(e) or in this Agreement prohibits the Executive from reporting possible violations of federal law or regulation to any governmental agency or entity, or making other disclosures that are protected under the whistleblower provisions of applicable law or regulation. Further, in accordance with the Defend Trade Secrets Act of 2016, (I) the Executive shall not be held criminally or civilly liable under any federal or state trade secret law for the disclosure of a trade secret that: (A) is made (i) in confidence to a federal, state, or local government official, either directly or indirectly, or to an attorney; and (ii) solely for the purpose of reporting or investigating a suspected violation of law; or (B) is made in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal, and (II) if the Executive files a lawsuit for retaliation by the Company for reporting a suspected violation of law, the Executive may disclose a trade secret to his attorney and use the trade secret information in the court proceeding, if the Executive files any document containing the trade secret under seal and does not disclose the trade secret except pursuant to court order. In the event that the Executive becomes legally compelled (by oral questions, interrogatories, request for information or documents, subpoena, criminal or civil investigative demand or similar process) to disclose any Confidential Information, then prior to such disclosure, the Executive will provide the Board with prompt written notice so that the Company may seek (with the Executive's cooperation) a protective order or other appropriate remedy and/or waive compliance with the provisions of this Agreement. In the event that such protective order or other remedy is not obtained, then the Executive will furnish only that portion of the Confidential Information which is legally required (as may be advised by Executive's legal counsel), and will cooperate with the Company in the Company's efforts to obtain reliable assurance that confidential treatment will be accorded to the Confidential Information. In addition, the Executive shall not create any derivative work or other product based on or resulting from any Confidential Information (except in the good faith performance of the Executive's duties under this Agreement while employed by the Company). The Executive shall also proffer to the Board's designee, no later than the Termination Date (or upon the earlier request of the Company), and without retaining any copies, notes or excerpts thereof, all property of the Company and its affiliates in whatever form, including, without limitation, memoranda, computer disks or other media, computer programs, diaries, notes, records, data, customer or client lists, marketing plans and strategies, and any other documents consisting of or containing Confidential Information, that are in the Executive's actual or constructive possession or which are subject to the

Executive's control at such time. To the extent the Executive has retained any such property or Confidential Information on any electronic or computer equipment belonging to the Executive or under the Executive's control, the Executive agrees to so advise Company and to follow Company's instructions in permanently deleting all such property or Confidential Information and all copies. For purposes of this Agreement, "Confidential Information" shall mean all information of a sensitive, confidential or proprietary nature respecting the business and activities of the Company or any of its affiliates, including, without limitation, the terms and provisions of this Agreement (except for the terms and provisions of Section 7), and the clients, customers, suppliers, computer or other files, projects, products, computer disks or other media, computer hardware or computer software programs, marketing plans, financial information, methodologies, Inventions (as defined below), know-how, research, developments, processes, practices, approaches, projections, forecasts, formats, systems, data gathering methods and/or strategies of the Company or any of its affiliates. Confidential Information also includes all information received by the Company or any of its affiliates under an obligation of confidentiality to a third party of which the Executive has knowledge. Notwithstanding the foregoing, Confidential Information shall not include any information that is generally available, or is made generally available, to the public other than as a result of a direct or indirect unauthorized disclosure by the Executive or any other person or entity subject to a confidentiality obligation.

(f) Ownership of Inventions. The Executive acknowledges and agrees that all Company Inventions (as defined below) (including all intellectual property rights arising therein or thereto, all rights of priority relating to patents, and all claims for past, present and future infringement, misappropriation relating thereto), and all Confidential Information, hereby are and shall be the sole and exclusive property of the Company (collectively, the "Company IP"). For consideration acknowledged and received, the Executive hereby irrevocably assigns, conveys and sets over to the Company all of the Executive's right, title and interest in and to all Company IP. The Executive acknowledges and agrees that the compensation received by the Executive for employment or services provided to the Company is adequate consideration for the foregoing assignment. The Executive further agrees to disclose in writing to the Board any Company Inventions promptly following their conception or reduction to practice. Such disclosure shall be sufficiently complete in technical detail and appropriately illustrated by sketch or diagram to convey to one skilled in the art of which the Company Invention pertains, a clear understanding of the nature, purpose, operations, and other characteristics of the Company Invention. The Executive agrees to execute and deliver such deeds of assignment or other documents of conveyance and transfer as the Company may request to confirm in the Company or its designee the ownership of the Company Inventions, without compensation beyond that provided in this Agreement. The Executive further agrees, upon the request of the Company and at its expense, that the Executive will execute any other instrument and document necessary or desirable in applying for and obtaining patents in the United States and in any foreign country with respect to any Company Invention. The Executive further agrees, whether or not the Executive is then an employee or other service provider of the Company or any of its affiliates, upon request of the Company, to provide reasonable

assistance with respect to the perfection, recordation or other documentation of the assignment of Company IP hereunder, and the enforcement of the Company's rights in any Company IP, and to cooperate to the extent and in the manner reasonably requested by the Company in any litigation or other claim or proceeding (including, without limitation, the prosecution or defense of any claim involving a patent) involving any Company IP covered by this Agreement, without further compensation, but all reasonable out-of-pocket expenses incurred by the Executive in satisfying the requirements of this Section 7(f) shall be paid by the Company or its designee. The Executive shall not, on or after the Effective Date, directly or indirectly challenge the validity or enforceability of the Company's ownership of, or rights with respect to, any Company IP, including, without limitation, any patent issued on, or patent application filed in respect of, any Company Invention. For purposes of this Agreement, "Company Invention" shall mean any Invention that is made, conceived, invented, authored, or first actually reduced to practice, by the Executive (alone or jointly with others) (i) in the course of, in connection with, or as a result of the Executive's employment or other service with the Company or any of its affiliates (whether before, on, or after the Effective Date, but not before the commencement of Executive's employment with the Company or its predecessor), (ii) at the direction or request of the Company or any of its affiliates (whether before, on, or after the Effective Date), or (iii) through the use of, or that is related to, facilities, equipment, Confidential Information, other Company Inventions, intellectual property or other resources of the Company or any of its affiliates, whether or not during the Executive's work hours (and whether before, on, or after the Effective Date, but not before the commencement of Executive's employment with the Company or its predecessor). For purposes of this Agreement, "Invention" shall mean any invention, formula, therapy, diagnostic technique, discovery, improvement, idea, technique, design, method, art, process, methodology, algorithm, machine, development, product, service, technology, strategy, software, work of authorship or other Works (as defined below), trade secret, innovation, trademark, data, database, or the like, whether or not patentable, together with all intellectual property rights therein.

(g) Works for Hire. The Executive also acknowledges and agrees that all works of authorship, in any format or medium, and whether published or unpublished, created wholly or in part by the Executive, whether alone or jointly with others, (i) in the course of, in connection with, or as a result of the Executive's employment or other service with the Company or any of its affiliates (whether before, on, or after the Effective Date), (ii) at the direction or request of the Company or any of its affiliates (whether before, on, or after the Effective Date), or (iii) through the use of, or that is related to, facilities, equipment, Confidential Information, other Company Inventions, intellectual property or other resources of the Company or any of its affiliates, whether or not during the Executive's work hours (and whether before, on, or after the Effective Date) ("Works"), are works made for hire as defined under United States copyright law, and that the Works (and all copyrights arising in the Works) are owned exclusively by the Company and all rights therein will automatically vest in the Company without the need for any further action by any party. To the extent any such Works are not deemed to be works made for hire, for consideration acknowledged and received, the Executive hereby waives any "moral rights" in such Works and the Executive hereby irrevocably assigns, transfers, conveys and sets

over to the Company or its designee, without compensation beyond that provided in this Agreement, all right, title and interest in and to such Works, including without limitation all rights of copyright arising therein or thereto, and further agrees to execute such assignments or other deeds of conveyance and transfer as the Company may request to vest in the Company or its designee all right, title and interest in and to such Works, including all rights of copyright arising in or related to the Works.

(h) Cooperation. During and after the term hereof, the Executive agrees to cooperate with the Company and its affiliates in any internal investigation, any administrative, regulatory, or judicial proceeding or any dispute with a third party concerning issues about which the Executive has knowledge or that may relate to the Executive or the Executive's employment or service with the Company or any of its affiliates (or the termination thereof). The Executive's obligation to cooperate hereunder includes, without limitation, being available to the Company and its affiliates upon reasonable notice for interviews and factual investigations, appearing in any forum at the Company's or any of its affiliates' reasonable request to give testimony (without requiring service of a subpoena or other legal process), volunteering to the Company and its affiliates pertinent information, and turning over to the Company and its affiliates all relevant documents which are or may come into the Executive's possession. The Company shall promptly reimburse the Executive for the reasonable pre-approved out-of-pocket expenses incurred by the Executive in connection with such cooperation. For the avoidance of doubt, the immediately preceding sentence shall not require the Company to reimburse the Executive for any attorneys' fees or related costs the Executive may incur absent advance written approval by the Company, which shall not be unreasonably withheld.

(i) Notification Requirement. Until the expiration of the period or periods for Restrictive Covenants (as applicable), the Executive shall, upon a reasonable request by the Company, give notice to the Company of any new business activity in which he is engaged. Such notice shall state the name and address of the individual, corporation, limited liability company, association, partnership, estate, trust and other entity or organization, other than the Company or any of its affiliates (any such individual or entity being hereinafter referred to as a "Person") for whom such activity is undertaken and the nature of the Executive's business relationship(s) and position(s) with such Person. The Executive shall provide the Company with such other pertinent information concerning such business activity as the Company may reasonably request in order to determine the Executive's continued compliance with the Restrictive Covenants.

(j) Enforcement of Covenants. The Executive acknowledges that he has carefully read and considered all the terms and conditions of this Agreement, including the Restrictive Covenants. The Executive agrees that the Restrictive Covenants are necessary for the reasonable and proper protection of the Company and its affiliates and that each and every one of the Restrictive Covenants is reasonable in respect to subject matter, length of time and geographic area, and otherwise. The Executive further acknowledges that, were he to breach any of the Restrictive Covenants, the damage to the Company and its affiliates would be irreparable. The Executive therefore agrees that the Company and its affiliates, in

addition to any other legal or equitable remedies available to them, shall be entitled to preliminary and permanent injunctive relief against any breach or threatened breach by the Executive of any of the Restrictive Covenants, without having to post bond, and to specific performance of each of the terms thereof, and shall be entitled to recover their reasonable costs and attorneys' fees in enforcing the Restrictive Covenants. The Executive further agrees that (i) any breach or claimed breach of the provisions of this Agreement by, or any other claim the Executive may have against, the Company or any of its affiliates will not be a defense to enforcement of any Restrictive Covenant and (ii) the circumstances of the Executive's termination of employment with the Company will have no impact on the Executive's obligations to comply with any Restrictive Covenant. The Restrictive Covenants are intended for the benefit of the Company and each of its affiliates. Each affiliate of the Company is an intended third party beneficiary of the Restrictive Covenants, and each affiliate of the Company, as well as any successor or assign of the Company or such affiliate, may enforce the Restrictive Covenants. The parties further agree that, in the event that any provision of the Restrictive Covenants shall be determined by any court of competent jurisdiction to be unenforceable by reason of its being extended over too great a time, too large a geographic area or too great a range of activities or otherwise, such provision shall be deemed to be modified by the court to permit its enforcement to the maximum extent permitted by law.

(k) Notification of New Employer. In the event that the Executive is employed or otherwise engaged by any other person or entity following the Termination Date, the Executive agrees to notify, and consents to the notification by Company and its affiliates of, such person or entity of the Restrictive Covenants.

8. Excise Tax.

(a) Notwithstanding anything to the contrary contained in this Agreement or otherwise, to the extent that any payment, distribution or acceleration of vesting to or for the benefit of Executive by the Company (within the meaning of Section 280G of the Code and the regulations thereunder), whether paid or payable or distributed or distributable pursuant to the terms of this Agreement or otherwise (the "Total Payments"), is or will be subject to the excise tax imposed under Section 4999 of the Code (the "Excise Tax"), then the Total Payments shall be reduced (but not below zero) to the Safe Harbor Amount (as defined below) if and to the extent that a reduction in the Total Payments would result in Executive retaining a larger amount, on an after-tax basis (taking into account federal, state and local income and employment taxes and the Excise Tax), than if Executive received the entire amount of such Total Payments in accordance with their existing terms (taking into account federal, state, and local income and employment taxes and the Excise Tax). For purposes of this Agreement, the term "Safe Harbor Amount" means the largest portion of the Total Payments that would result in no portion of the Total Payments being subject to the Excise Tax. To effectuate the foregoing, the Company shall reduce or eliminate the Total Payments by first reducing or eliminating the portion of the Total Payments which are payable in cash and then by reducing or eliminating non-cash payments, in each case,

starting with the payments to be made farthest in time from the Determination (as defined below).

(b) The determination of whether the Total Payments shall be reduced as provided in Section 8(a) and the amount of such reduction shall be made at the Company's expense by an accounting firm selected by Company from among the 10 largest accounting firms in the United States or by qualified independent tax counsel (the "Determining Party"); *provided*, that Executive shall be given advance notice of the Determining Party selected by the Company, and shall have the opportunity to reject the selection, within two business days of being notified of the selection, on the basis of that Determining Party's having a conflict of interest or other reasonable basis, in which case the Company shall select an alternative firm among the 10 largest accounting firms in the United States or alternative independent qualified tax counsel, which shall become the Determining Party. Such Determining Party shall provide its determination (the "Determination"), together with detailed supporting calculations and documentation to the Company and Executive, within 10 business days of the termination of Executive's employment or at such other time mutually agreed by the Company and Executive. If the Determining Party determines that no Excise Tax is payable by Executive with respect to the Total Payments, it shall furnish Executive with an opinion reasonably acceptable to Executive that no Excise Tax will be imposed with respect to any such payments and, absent manifest error, such Determination shall be binding, final and conclusive upon the Company and Executive. If the Determining Party determines that an Excise Tax would be payable, the Company shall have the right to accept the Determination as to the extent of the reduction, if any, pursuant to Section 8(a), or to have such Determination reviewed by another accounting firm selected by the Company, at the Company's expense. If the two accounting firms do not agree, a third accounting firm shall be jointly chosen by Executive and the Company, in which case the determination of such third accounting firm shall be binding, final and conclusive upon the Company and Executive.

(c) If, notwithstanding any reduction described in this Section 8, the Internal Revenue Service ("IRS") determines that Executive is liable for the Excise Tax as a result of the receipt of any of the Total Payments or otherwise, then Executive shall be obligated to pay back to the Company, within 30 calendar days after a final IRS determination or in the event that Executive challenges the final IRS determination, a final judicial determination, a portion of the Total Payments equal to the "Repayment Amount". The "Repayment Amount" with respect to the payment of benefits shall be the smallest such amount, if any, as shall be required to be paid to the Company so that Executive's net after-tax proceeds with respect to the Total Payments (after taking into account the payment of the Excise Tax and all other applicable taxes imposed on the Total Payments) shall be maximized. The Repayment Amount shall be zero if a Repayment Amount of more than zero would not result in Executive's net after-tax proceeds with respect to the Total Payments being maximized. If the Excise Tax is not eliminated pursuant to this Section 8, Executive shall pay the Excise Tax.

(d) Notwithstanding any other provision of this Section 8, if (i) there is a reduction in the Total Payments as described in this Section 8, (ii) the IRS later determines that Executive is liable for the Excise Tax, the payment of which would result in the maximization of Executive's net after-tax proceeds (calculated as if Executive's benefits had not previously been reduced), and (iii) Executive pays the Excise Tax, then the Company shall pay to Executive those payments or benefits which were reduced pursuant to this Section 8 as soon as administratively possible after Executive pays the Excise Tax (but not later than March 15 following the calendar year of the IRS determination) so that Executive's net after-tax proceeds with respect to the Total Payments are maximized.

(e) If, following a reduction of the Total Payments pursuant to Section 8(a), the Determining Party or a court of competent jurisdiction determines that the Total Payments were reduced to a greater extent than required under Section 8, then the Company shall as soon as administratively possible (but not later than by March 15 following the calendar year of such determination) pay the amount of such excess reduction to or for the benefit of Executive, together with interest at the applicable federal rate (as defined in Section 7872(f)(2)(A) of the Code), from the date the amount would have otherwise been paid to Executive until the payment date.

(f) To the extent requested by Executive, the Company shall cooperate with Executive in good faith in valuing, and the Determining Party shall take into account the value of, services provided or to be provided by Executive (including, without limitation, Executive's agreeing to refrain from performing services pursuant to a covenant not to compete or similar covenant, before, on or after the date of a change in ownership or control of the Company (within the meaning of Q&A-2(b) of the final regulations under Section 280G of the Code), such that payments in respect of such services may be considered reasonable compensation within the meaning of Q&A-9 and Q&A-40 to Q&A-44 of the final regulations under Section 280G of the Code and/or exempt from the definition of the term "parachute payment" within the meaning of Q&A-2(a) of the final regulations under Section 280G of the Code in accordance with Q&A-5(a) of the final regulations under Section 280G of the Code.

9. Conflicting Agreements. The Executive hereby represents and warrants that the execution of this Agreement and the performance of his obligations hereunder will not breach or be in conflict with any other agreement to which the Executive is a party or is bound and that the Executive is not now subject to any covenants against competition or similar covenants or any court order or other legal obligation that would affect the performance of his obligations hereunder, any and all of which are superseded by this Agreement. The Executive will not disclose to or use on behalf of the Company any proprietary information of a third party without such party's consent.

10. Indemnification. The Company shall indemnify the Executive to the maximum extent permitted by the General Corporation Law of the State of Delaware. At the request of the Executive, and subject to the approval of the Board (excluding the Executive), the Company shall enter into an indemnification agreement with the Executive on terms at least as favorable in

each respect to the Executive as the terms of any other indemnification agreement between the Company and any other director or officer of the Company. The Executive agrees to promptly notify the Company of any actual or threatened claim arising out of or as a result of his employment or other service with the Company or any of its affiliates (or the termination thereof).

11. Withholding. All payments made by the Company under this Agreement shall be reduced by any tax or other amounts required to be withheld by the Company under applicable law.

12. Assignment. Neither the Company nor the Executive may make any assignment of this Agreement or any interest herein, by operation of law or otherwise, without the prior written consent of the other; provided, however, that the Company may assign its rights and obligations under this Agreement without the consent of the Executive in the event that the Company shall hereafter effect a reorganization, consolidate with, or merge into, any person or entity, transfer a substantial majority of its properties or assets to any person or entity, or engage in a similar transaction with any person or entity. This Agreement shall inure to the benefit of and be binding upon the Company and the Executive, and their respective successors, executors, administrators, heirs and permitted assigns.

13. Severability. If any portion or provision of this Agreement shall to any extent be declared illegal or unenforceable by a court of competent jurisdiction, then the remainder of this Agreement, or the application of such portion or provision in circumstances other than those as to which it is so declared illegal or unenforceable, shall not be affected thereby, and each portion and provision of this Agreement shall be valid and enforceable to the fullest extent permitted by law.

14. Amendment and Waiver. This Agreement may be amended or modified only by a written instrument signed by the Executive and the Company. No waiver of any provision hereof shall be effective unless made in writing and signed by the waiving party. The failure of either party to require the performance of any term or obligation of this Agreement, or the waiver by either party of any breach of this Agreement, shall not prevent any subsequent enforcement of such term or obligation or be deemed a waiver of any subsequent breach. No waiver by either of the parties of any breach by the other party hereto of any condition or provision of this Agreement to be performed by the other party hereto shall be deemed a waiver of any similar or dissimilar provision or condition at the same or any prior or subsequent time.

15. Notices. Any and all notices, requests, demands and other communications provided for by this Agreement shall be in writing and shall be effective when delivered in person or deposited in the United States mail, postage prepaid, registered or certified, and addressed:

(a) if to the Executive, at his last known address on the books of the Company, with a copy to Feinberg Hanson LLP, 855 Boylston Street, Boston, Massachusetts 02116, attention: David H. Feinberg; and

(b) if to the Company, at its principal place of business, attention, Secretary, with a copy to Foley Hoag LLP, Seaport West, 155 Seaport Boulevard, Boston, Massachusetts 02210, attention: Erica Rice; or

(c) to such other address as either party may specify by notice to the other actually received.

16. Entire Agreement. This Agreement constitutes the entire agreement between the parties with respect to the subject matter hereof and supersedes all prior communications, agreements and understandings, written or oral, with respect to the terms and conditions of the Executive's employment and the subject matter hereof.

17. Headings. The headings and captions in this Agreement are for convenience only and in no way define or describe the scope or content of any provision of this Agreement.

18. Counterparts. This Agreement may be executed in two or more counterparts, each of which shall be an original and all of which together shall constitute one and the same instrument. Delivery of an executed counterpart of this Agreement, by electronic mail in portable document format (.pdf) or by any other electronic means intended to preserve the original graphic and pictorial appearance of a document, has the same effect as delivery of an executed original of this Agreement.

19. Governing Law; Venue; WAIVER OF JURY TRIAL. This Agreement, the rights of the parties and all claims, actions, causes of action, suits, litigation, controversies, hearings, charges, complaints or proceedings arising in whole or in part under or in connection herewith, will be governed by and construed in accordance with the domestic substantive laws of the State of New York, without giving effect to any choice or conflict of law provision or rule that would cause the application of the laws of any other jurisdiction. Both the Executive and the Company agree to appear before and submit exclusively to the jurisdiction of the United States District Court for the Southern District of New York with respect to any controversy, dispute, or claim arising out of or relating to this Agreement or the Executive's employment or service with the Company or any of its affiliates (or the termination thereof), or if such controversy, dispute or claim may not be brought in federal court, to the state courts located in New York, New York and, in each case, the applicable courts of appeals of such court. Both the Executive and the Company also agree to waive, to the fullest possible extent, the defense of an inconvenient forum or lack of jurisdiction. The Executive further consents to service of process in the State of New York. **THE COMPANY AND THE EXECUTIVE HEREBY WAIVE, TO THE EXTENT PERMITTED BY APPLICABLE LAW, TRIAL BY JURY IN ANY LITIGATION IN ANY COURT WITH RESPECT TO, IN CONNECTION WITH, OR ARISING OUT OF THIS AGREEMENT OR THE EXECUTIVE'S EMPLOYMENT OR SERVICE WITH THE COMPANY OR ANY OF ITS AFFILIATES (OR THE TERMINATION THEREOF), OR THE VALIDITY, PROTECTION, INTERPRETATION, COLLECTION OR ENFORCEMENT OF THIS AGREEMENT (WHETHER ARISING IN CONTRACT, EQUITY, TORT OR OTHERWISE).**

20. Code Section 409A Compliance. This Agreement is intended to comply with Code Section 409A (to the extent applicable) and the parties hereto agree to interpret this Agreement in the least restrictive manner necessary to comply therewith and without resulting in any increase in the amounts owed hereunder by the Company. To the maximum extent possible, any severance owed under this Agreement shall be construed to fit within the "short-term deferral rule" under Code Section 409A and/or the "two times two year" involuntary separation pay exception under Code Section 409A. Notwithstanding any other provision of this Agreement to the contrary, if the Executive is a "specified employee" within the meaning of Code Section 409A and the regulations issued thereunder, and a payment or benefit provided for in this Agreement would be subject to additional tax under Code Section 409A if such payment or benefit is paid within six (6) months after the Executive's "separation from service" (within the meaning of Code Section 409A), then such payment or benefit required under this Agreement (i) shall not be paid (or commence) during the six-month period immediately following the Executive's separation from service and (ii) shall instead be paid to the Executive in a lump-sum cash payment on the earlier of (A) the first regular payroll date of the seventh month following the Executive's separation from service or (B) the 10th business day following the Executive's death (but not earlier than such payment would have been made absent such death). If the Executive's termination of employment hereunder does not constitute a "separation from service" within the meaning of Code Section 409A, then any amounts payable hereunder on account of a termination of the Executive's employment and which are subject to Code Section 409A shall not be paid until the Executive has experienced a "separation from service" within the meaning of Code Section 409A. In addition, no reimbursement or in-kind benefit shall be subject to liquidation or exchange for another benefit and the amount available for reimbursement, or in-kind benefits provided, during any calendar year shall not affect the amount available for reimbursement, or in-kind benefits to be provided, in a subsequent calendar year. Any reimbursement to which the Executive is entitled hereunder shall be made no later than the last day of the calendar year following the calendar year in which such expenses were incurred. Notwithstanding anything herein to the contrary, neither the Company nor any of its affiliates shall have any liability to the Executive or to any other person or entity if this Agreement is, or if the payments and benefits provided in this Agreement that are intended to be exempt from or compliant with Code Section 409A are, not so exempt or compliant. Each payment payable hereunder shall be treated as a separate payment in a series of payments within the meaning of, and for purposes of, Code Section 409A.

[Remainder of page intentionally left blank]

IN WITNESS WHEREOF, this Agreement has been executed as a sealed instrument by the Company, by its duly authorized representative, and by the Executive, as of the date first above written.

THE EXECUTIVE	ASCEND WELLNESS HOLDINGS, LLC
/s/ Abner Kurtin	By: /s/ Frank Perullo
Abner Kurtin	Print Name and Title: Frank Perullo CSO

Certain identified information has been omitted from this exhibit because it is not material and would likely cause competitive harm to the registrant if publicly disclosed. [***] indicates that information has been omitted.

Exhibit A

[***]

Certain identified information has been omitted from this exhibit because it is not material and would likely cause competitive harm to the registrant if publicly disclosed. [***] indicates that information has been omitted.

EMPLOYMENT AGREEMENT

This Employment Agreement (this "Agreement") dated as of March 23, 2021 (the "Effective Date") is made and entered into by and between Ascend Wellness Holdings, LLC, a Delaware limited liability company with a principal place of business at 1411 Broadway, 16th Floor, New York, NY 10018 (the "Company"), and Francis Perullo, an individual whose principal business address is in care of the Company at 1411 Broadway, 16th Floor, New York, NY 10018 (the "Executive").

RECITALS

WHEREAS, the Executive has served as the Chief Strategy Officer of the Company; and

WHEREAS, the parties desire to memorialize the terms of such employment, on the terms and conditions hereinafter set forth.

AGREEMENT

NOW, THEREFORE, in consideration of the foregoing premises and the mutual promises, terms, provisions and conditions set forth in this Agreement, the parties hereby agree:

1. Employment. Subject to the terms and conditions set forth in this Agreement, the Company hereby offers, and the Executive hereby accepts, continued employment as Chief Strategy Officer of the Company.

2. Term. Subject to earlier termination as hereinafter provided, the Executive's employment hereunder shall be for a term of three (3) years, commencing on the Effective Date, and, on the third anniversary of the Effective Date and each annual anniversary of the Effective Date thereafter, shall be automatically extended for successive terms of one (1) year each, unless either the Company or the Executive provides notice (a "Non-Renewal Notice") to the other at least 90 days prior to expiration of the original or any extension term that the Executive's employment hereunder is not to be so extended. The term of this Agreement, as from time to time extended or renewed, is hereafter referred to as "the term of this Agreement" or "the term hereof."

3. Capacity and Performance.

(a) During the term hereof, the Executive shall serve the Company as Chief Strategy Officer, reporting directly to the Board of Directors of the Company (the "Board").

(b) During the term hereof, the Executive shall be employed by the Company on a full-time and diligent basis and shall perform such duties and responsibilities on behalf of the Company as are customarily performed by a Chief Strategy Officer of a company of comparable size and as may be reasonably designated from time to time by the Board.

(c) During the term hereof, for so long as the Executive is employed as the Company's Chief Strategy Officer, the Company will nominate the Executive for re-election to the Board and the Executive shall serve in such other officer and/or director positions with any affiliate of the Company (for no additional compensation) as may be determined by the Board (excluding the Executive) from time to time. For purposes of this Agreement, an "affiliate" of the Company shall mean any person or entity that that directly or indirectly controls, or is under common control with, or is controlled by, the Company, and as used in this definition, "control" (including, with its correlative meanings, "controlled by" and "under common control with") shall mean possession, directly or indirectly, of power to direct or cause the direction of management or policies (whether through ownership of voting equity interests, by contract or otherwise).

(d) During the term hereof, the Executive shall not, directly or indirectly, render any services of a business, commercial or professional nature to any person or entity other than the Company (or any affiliate thereof), whether for compensation or otherwise, without the prior written consent of the Board (excluding the Executive), which shall not be unreasonably withheld. For the avoidance of doubt, notwithstanding the foregoing, the Executive may (i) engage in the activities set forth on Exhibit A hereto so long as such activities do not (A) individually or in the aggregate, interfere with the performance of the Executive's duties under this Agreement and (B) materially change in nature or scope of the Executive's engagement after the Effective Date, in which case the Executive shall not be permitted to continue such engagement without the prior written consent of the Board (excluding the Executive) and (ii) engage in educational, charitable and civic activities and manage the Executive's personal investments and affairs, in each case, so long as such activities (A) do not, individually or in the aggregate, interfere with the performance of the Executive's duties under this Agreement and (B) are not contrary to the interests of the Company or any of its affiliates or competitive in any way with the Company or any of its affiliates.

4. Compensation and Benefits. As compensation for all services performed by the Executive under this Agreement and during the term hereof and subject to performance of the Executive's duties and obligations to the Company pursuant to this Agreement:

(a) Base Salary. The Company shall pay the Executive a base salary at the rate of $750,000 per annum. The Executive's base salary shall be payable in accordance with the payroll practices of the Company for its executives and subject to increase from time to time by the Board (excluding the Executive), in its sole discretion. The base salary set forth in this Section 4(a), as from time to time increased, is hereafter referred to as the "Base Salary."

(b) Annual Bonus Compensation. For each fiscal year that ends during the term hereof, the Executive shall be eligible to earn an annual bonus (the "Annual Bonus"). The Executive's annual target bonus opportunity for each such fiscal year shall be equal to 100% of Base Salary (the "Target Bonus"), based on the achievement of target performance goals established by the Compensation Committee of the Board (the

"Compensation Committee"). If the Company and/or the Executive achieves superior performance goals established by the Compensation Committee for any fiscal year, then the Executive shall be eligible to earn an additional 100% of Base Salary as part of his Annual Bonus for such fiscal year, for total Annual Bonus eligibility of 200% of Base Salary (the "Maximum Annual Bonus"). If threshold performance goals are not achieved for any fiscal year, then the Executive shall not receive an Annual Bonus for such fiscal year. The Annual Bonus, if any, will be paid within thirty (30) days after the Board's approval of the Company's and its subsidiaries' consolidated audited financial statements for the fiscal year to which such Annual Bonus relates (and in all events in the fiscal year immediately following the fiscal year to which such Annual Bonus relates).

(c) Bonus upon Change of Control Event. Upon the consummation of a change of control (as defined in the 2021 Incentive Plan), and concurrent with the payment of any consideration to any other holders of capital stock of the Company in connection with such change of control, the Executive shall be deemed to have earned the Maximum Annual Bonus (the "Change in Control Bonus") for each fiscal year during the remainder of the Term (inclusive of partial fiscal years). Notwithstanding anything to the contrary contained herein, the obligations of the Company to pay the Change of Control Bonus to Executive shall survive any termination of this Agreement by reason of death, disability or termination of employment of Executive without limitation, except that the Company's obligation to pay the Change of Control Bonus shall terminate concurrently with any termination of Executive's employment for Cause (as defined in Section 5(c) below).

(d) Equity Incentives. Subject to the approval of the Board (excluding the Executive), on or as soon as reasonably practicable after the Effective Date, the Executive will be granted 1,500,000 Restricted Stock Units pursuant to and as defined in the Company's 2021 Equity Incentive Plan (the "2021 Incentive Plan") and subject to the terms and conditions of the applicable award agreement. During the term hereof, the Executive shall be eligible to receive additional equity grants under the 2021 Incentive Plan, or any successor plan for the issuance of stock options, restricted stock, or other equity incentives hereafter maintained by the Company and in which other senior executives of the Company participate. Any and all additional grants to the Executive under the 2021 Incentive Plan or any such successor plan shall be made at the sole discretion of the Board (excluding the Executive) and shall be subject to the terms and conditions of the applicable award agreement.

(e) Vacations. During the term hereof, the Executive shall be entitled to vacation, personal days, sick time and similar paid time off benefits in accordance with the applicable policies of the Company, as in effect from time to time.

(f) Insurance Benefits. During the term hereof and subject to any contribution therefor generally required of employees of the Company, the Executive shall be eligible to participate in any medical, dental and disability insurance plans maintained by the Company from time to time (collectively, the "Insurance Benefits"). The Executive's participation in such Insurance Benefits shall be subject to applicable law, the terms of the

applicable plan documents and generally applicable Company policies. Notwithstanding anything herein to the contrary, the Company may amend, modify or terminate any Insurance Benefits at any time in its discretion.

(g) Business Expenses. During the term hereof, the Company shall promptly pay or reimburse the Executive for all reasonable, customary and necessary business expenses incurred or paid by the Executive in the performance of his duties and responsibilities hereunder, subject to any reasonable maximum annual limit and other restrictions on such expenses set by the Board (excluding the Executive) and otherwise in accordance with the Company's then-prevailing policies and procedures for expense reimbursement (including such reasonable substantiation and documentation as may be specified by the Company from time to time).

5. Termination of Employment and Severance Benefits. Notwithstanding the provisions of Section 2 hereof, the Executive's employment hereunder shall terminate prior to the expiration of the term under the following circumstances:

(a) Death. In the event of the Executive's death during the term hereof, the Executive's employment hereunder shall immediately and automatically terminate. In such event, the Company shall pay to the Executive's designated beneficiary or, if no beneficiary has been designated by the Executive, to his estate, (i) the Base Salary earned but not paid through the date of termination (to be paid in accordance with the Company's normal payroll policies or at such earlier time as required by applicable law), (ii) the value of any vacation time earned but not used through the date of termination (to be paid in accordance with the Company's policies and applicable law), (iii) any Annual Bonus earned under Section 4(b) with respect to the fiscal year immediately preceding the fiscal year in which such termination occurs, but only to the extent unpaid as of the date of termination (with any such earned Annual Bonus to be paid at the same time as if no such termination had occurred), and (iv) any business expenses incurred by the Executive but unreimbursed as of the date of termination, provided that such expenses are reimbursable under Company policy (with such expenses to be reimbursed in accordance with the Company's expense reimbursement policies as in effect from time to time) (all of the foregoing, "Final Compensation"). In addition to Final Compensation, if the Executive's employment terminates due to his death during the term hereof, the Executive will be entitled to (x) a prorated portion of any Annual Bonus earned for the fiscal year in which such termination occurs (calculated as the Annual Bonus that would have been paid for such fiscal year, multiplied by a fraction, the numerator of which is equal to the number of days the Executive worked for the Company in such fiscal year, and the denominator of which is equal to the total number of days in such fiscal year), with any such prorated Annual Bonus to be paid at the same time as if no such termination had occurred (the "Prorated Bonus") and (y) the Benefit Continuation he would have been entitled to receive under clause (iii) of Section 5(d) below had the Executive been terminated by the Company other than for Cause in accordance with such Section 5(d). The Company shall have no further obligation to the Executive or his estate hereunder.

(b) Disability.

(i) The Company may terminate the Executive's employment hereunder, upon notice to the Executive, in the event that the Executive becomes disabled during his employment hereunder through any illness, injury, accident or condition of either a physical or psychological nature and, as a result, is unable to perform substantially all of his duties and responsibilities hereunder, with or without reasonable accommodation, for any period of ninety (90) consecutive days or more, or one hundred eighty (180) days (whether or not consecutive) during any period of three hundred and sixty-five (365) consecutive calendar days. In the event of such termination, the Company shall pay to the Executive the Final Compensation and shall otherwise comply with the provisions of this Section 5(b). In addition to such Final Compensation, the Executive will be entitled to (x) the Prorated Bonus and (y) the Benefit Continuation he would have been entitled to receive under clause (iii) of Section 5(d) below had the Executive been terminated by the Company other than for Cause in accordance with such Section 5(d). The Company shall have no further obligation to the Executive hereunder.

(ii) In lieu of terminating the Executive's employment hereunder, the Board may designate another employee to act in the Executive's place during any period of the Executive's disability. Notwithstanding any such designation, the Executive shall continue to receive the Base Salary in accordance with Section 4(a) and Insurance Benefits in accordance with Section 4(e), to the extent permitted by the then-current terms of the applicable benefit plans, until the Executive becomes eligible for long-term disability income benefits under the Company's disability income plan (or any disability insurance policy of the Company).

(iii) If the Executive becomes eligible to receive disability income payments under the Company's disability income plan (or any disability insurance policy of the Company), the Executive shall be entitled to receive Base Salary under Section 4(a) hereof less the amount of such disability income payments being made to the Executive, and shall continue to participate in Company benefit plans in accordance with Section 4(e) and as permitted by the terms of such plans, in each case, until the termination of his employment.

(iv) Any determination as to whether during any period the Executive is disabled through any illness, injury, accident or condition of either a physical or psychological nature so as to be unable to perform substantially all of his duties and responsibilities hereunder shall be made by a physician satisfactory to both the Executive (or his duly appointed guardian) and the Company, *provided* that if the Executive and the Company do not agree on a physician, the Executive and the Company shall each select a physician and these two together shall select a third physician, whose determination as to disability shall be binding on all parties. If the Executive shall fail to submit to such medical examination, the Company's determination of the issue shall be binding on the Executive.

(c) By the Company for Cause. The Company may terminate the Executive's employment hereunder for Cause at any time upon notice to the Executive setting forth in reasonable detail the nature of such Cause. The following shall constitute "Cause" for termination:

(i) Repeated or willful refusal, failure or neglect by the Executive to perform the material duties of his employment or to follow the directions of the Board (other than by reason of the Executive's physical or mental illness or impairment);

(ii) The Executive's committing any act of fraud, embezzlement, or theft;

(iii) The Executive's material violation of the Company's policies;

(iv) The Executive's behavior or engagement in any acts that may interfere with the ability of the Company or any of its affiliates to maintain a license to harvest, cultivate, process, or sell cannabis or otherwise continue to operate its business;

(v) The Executive's breach of any non-disclosure, non-disparagement, non-competition, non-solicitation, assignment of inventions agreement or other restrictive covenants set forth herein, other than the Executive's inadvertent and immaterial breach of any non-competition or non-disclosure obligation that is not otherwise detrimental to the Company or any of its affiliates, as determined by the Board (excluding the Executive);

(vi) The Executive's conviction of a felony (including pleading guilty or nolo contendere to a felony) or commitment of other acts causing a material detriment to the reputation, the business or a business relationship of the Company or any of its affiliates; provided, however, that for the avoidance of doubt, no conviction or plea of nolo contendere of a felony or crime that occurs solely as a result of a violation of U.S. federal law concerning cannabis or the cannabis industry shall be deemed to constitute "Cause", so long as (A) the acts, omissions, conduct or activity related to cannabis or the cannabis industry giving rise to any such conviction or plea of nolo contendere of a felony or crime could be reasonably believed to be in compliance with applicable state and local laws and (B) such conviction or plea of nolo contendere is not likely to interfere with the ability of the Company or any of its affiliates to maintain a license to harvest, cultivate, process, or sell cannabis or otherwise continue to operate its business;

(vii) The Executive's willful engagement in dishonesty, illegal conduct (other than solely as a result of a violation of U.S. federal law concerning cannabis or the cannabis industry, so long as (A) the acts, omissions, conduct or activity related to cannabis or the cannabis industry giving rise to such illegal conduct could be reasonably believed to be in compliance with applicable state and local laws and (B) such illegal conduct is not likely to interfere with the ability of the Company or any of its affiliates to maintain a license to harvest, cultivate, process, or sell cannabis or

otherwise continue to operate its business), or gross misconduct, which in each case is materially injurious (monetarily or otherwise) to the Company or its affiliates; or

(viii) The Executive's material breach of the terms of this Agreement.

For purposes of this provision, no act or failure to act on the part of the Executive shall be considered "willful" unless it is done, or omitted to be done, by the Executive in bad faith or without reasonable belief that the Executive's action or omission was in the best interests of the Company. Any act, or failure to act, based on authority given pursuant to a resolution duly adopted by the Board or on the advice of counsel for the Company shall be conclusively presumed to be done, or omitted to be done, by the Executive in good faith and in the best interests of the Company.

Termination of the Executive's employment shall not be deemed to be for Cause unless and until (I) the Company has given notice thereof to the Executive specifying in reasonable detail the conduct constituting "Cause," (II) solely with respect to the conduct described in clauses (i), (iii), (iv), (v) and (viii) above, the Executive fails to cure and correct his conduct (if capable of cure and correction) within thirty (30) days after such notice, and (III) the Company delivers to the Executive a copy of a resolution duly adopted by the affirmative vote of not less than two-thirds (2/3) of the Board (excluding the Executive) (after the Executive is given an opportunity, together with counsel, to be heard before the Board), finding in good faith that the Executive has engaged in the conduct described in any of (i)-(viii) above.

Upon the giving of notice of termination of the Executive's employment hereunder for Cause, the Company shall have no further obligation hereunder to the Executive, other than for Final Compensation.

(d) By the Company Other than for Cause or by Giving a Non-Renewal Notice. The Company may terminate the Executive's employment hereunder other than for Cause (and other than in connection with the Executive's death or disability) at any time upon ninety (90) days' written notice to the Executive; provided that, during such 90-day notice period (or any portion thereof), the Executive may be required to work remotely from his residence or the Company may place the Executive on garden leave, and in all events, the Company may prohibit the Executive from entering any premises of the Company or any of its affiliates, contacting any employee, customer, vendor or supplier of the Company or any of its affiliates or accessing any property of the Company or any of its affiliates. In the event of such termination, or in the event that the Executive's employment is terminated as a result of the Company's Non-Renewal Notice pursuant to Section 2 hereof, then (i) the Company shall pay to the Executive the Final Compensation, (ii) the Company shall pay the Executive an amount equal to two (2) times the sum of Base Salary and Annual Bonus earned by the Executive for the full fiscal year immediately preceding the fiscal year in which such termination occurs (the "Termination Compensation"), payable in substantially equal installments in accordance with the Company's normal payroll practices as in effect from time to time, over the twelve (12) month period immediately following the termination date (with the first payment to be made on the first payroll date following the

effective date of the Employee Release (as defined below) and to include a catch-up to cover any payment that would have been made prior to such date had the Employee Release been effective on the termination date); provided that, if such termination date occurs prior to the conclusion of one full fiscal year of employment, it shall be assumed, for purposes of determining the Termination Compensation, that Executive earned one full fiscal year of his current Base Salary and achieved an Annual Bonus of 100% of his current Base Salary; provided, further, that, if (and only if) such termination date occurs within eighteen (18) months after a Change of Control Event (as defined below), then the Termination Compensation shall be payable to the Executive in a lump sum payment on the first payroll date following the effective date of the Employee Release (rather than in installments, as provided above in this clause (ii)), (iii) subject to any employee contribution applicable to the Executive as of immediately prior to the date of termination, the Company shall continue to pay the cost of the Executive's participation in the Company's medical and dental insurance plans for a period of twelve (12) months, provided that if the Executive's continued participation in such plans would result in a violation of any non-discrimination rules or result in any fines, penalties or excise taxes to the Company or any of its affiliates or if the Executive is otherwise not eligible to continue participation in such plans under applicable law or plan terms, then, to the extent possible without resulting in such violation, fines, penalties or excise taxes, the Company shall instead make monthly cash payments to the Executive in an amount equal to the employer portion of the monthly insurance premiums that would have been applicable had the Executive been eligible to continue such participation (the benefit described in this clause (iii), collectively, the "Benefit Continuation"), (iv) the Prorated Bonus, and (v) notwithstanding the terms of any other agreement, instrument or document to the contrary (including without limitation any vesting terms, performance criteria or other conditions, and regardless of whether entered into before or after the date of this Agreement), upon such termination, Executive's right to purchase or otherwise acquire any equity securities of the Company under any stock option or other agreement, instrument, plan, program or arrangement outstanding or in effect on the effective date of such termination shall thereupon vest in full (subject only to the payment of the applicable exercise or purchase price, if any, and provided that any equity awards that are subject to the satisfaction of performance goals shall be deemed earned at target performance), and any right of the Company or any subsidiary to repurchase any equity securities of the Company from Executive, whether arising under any option, agreement, instrument, plan, program, arrangement or otherwise, shall thereupon terminate. For purposes of this Agreement, the term "Change of Control Event" shall mean the consummation, after the Effective Date, of (i) the sale of all or substantially all of the Company's assets or at least a majority of voting power of the capital stock of the Company, (ii) any liquidation, dissolution or winding up of the Company, or (iii) the merger or consolidation of the Company with or into another entity, except a merger or consolidation in which the holders of capital stock of the Company immediately prior to such merger or consolidation continue to hold at least 50% of the voting power of the capital stock of the Company or the surviving or acquiring entity, as applicable; provided, however, that no event described in the foregoing clauses (i), (ii) and (iii) shall constitute a Change of Control Event for purposes of this Agreement

unless it satisfies the requirements of Treasury Regulation Section 1.409A-3(i)(5)(v) or (vii).

(e) Any obligation of the Company to make the payments and provide the benefits to the Executive under Section 5 (other than Final Compensation) is conditioned, however, upon the Executive (or his estate or legal representative, as applicable) signing a general release of claims and covenant not to sue in such form and substance as may be agreed to by the Company and the Executive (or his estate or legal representative, as applicable) (the "Employee Release") within twenty-one days (or such greater period as the Company may specify) (the "Release Period") following the date of termination of employment and upon the Executive (or his estate or legal representative, as applicable) not revoking the Employee Release during the 7-day revocation period following the execution of the Employee Release (the "Revocation Period"). Notwithstanding the foregoing, if payment of Termination Compensation and the Benefit Continuation could commence in more than one taxable year based on when the Employee Release could become effective, then to the extent required by Section 409A of the Code, any such payments that would have been made during the calendar year in which the Executive's employment terminates shall instead be withheld and paid on the first payroll date in the calendar year immediately after the calendar year in which the Executive's employment terminates, with all remaining payments to be made as if no such delay had occurred.

(f) By the Executive for Good Reason. The Executive may terminate his employment hereunder for Good Reason, upon notice to the Company setting forth in reasonable detail the nature of such Good Reason. The following shall constitute "Good Reason", subject to the notice and cure periods set forth below, unless the Executive shall have consented in writing to any of the following:

(i) any reduction in the Executive's Base Salary other than in connection with a general reduction in base salaries that affects all similarly situated executives in substantially the same proportions;

(ii) any reduction in the Executive's Target Bonus or Maximum Annual Bonus opportunity (other than solely as a result of a reduction in Base Salary);

(iii) any failure by the Company to nominate the Executive for re-election to the Board and to use its best efforts to have the Executive re-elected (other than as a result of a Change of Control Event, which shall be governed by this Section 5(f)(v)), or any change in the Executive's title as Chief Strategy Officer of the Company;

(iv) any diminution in the Executive's responsibilities or authority within the Company, or any alteration in the nature or status of Executive's position, title or responsibilities or the conditions of Executive's employment, including the requirement for the Executive to report to any person(s) other than the Board, in any case without his prior written consent, other than any of the foregoing that occurs as a result of a Change of Control Event (which shall be governed by this Section 5(f)(v));

(v) in the event of a Change of Control Event, any failure by the acquirer to (a) make an offer of employment to the Executive for a base salary, target bonus and maximum bonus opportunity amounts that are substantially comparable in the aggregate to the Executive's Base Salary and Annual Bonus (taking into consideration both the Target Bonus and the Maximum Annual Bonus) each as of immediately prior to such sale, (b) nominate the Executive for election to the Board of the acquirer, (c) offer the Executive a position with duties, responsibilities and authority that are materially comparable to the Executive's duties, responsibilities and authority as Chief Strategy Officer of the Company (disregarding any duties, responsibilities and authority the Executive had as a member of the Board or as an officer or director of any affiliate of the Company) as of immediately prior to such sale;

(vi) any failure by the Company to comply with any material provision of this Agreement; and

(vii) any requirement that the Executive relocate the principal place of his work for the Company such that his existing commute is increased by more than 50 miles.

Notwithstanding the foregoing, Good Reason shall not be deemed to exist unless (x) the Executive gives the Company written notice within ninety (90) days after the Executive first has knowledge of the occurrence of the event which the Executive believes constitutes the basis for Good Reason, specifying the particular act or failure to act which the Executive believes constitutes the basis for Good Reason, (y) the Company fails to cure such act or failure to act within sixty (60) days after receipt of such notice and (z) the Executive terminates his employment within sixty (60) days after the end of the period specified in clause (y).

In the event of termination in accordance with this Section 5(f), then the Executive will be entitled to the same payments and benefits (i.e., the Final Compensation, the Termination Compensation, the Benefit Continuation, the Prorated Bonus and acceleration of equity vesting (or termination of Company repurchase rights, as applicable)) he would have been entitled to receive had the Executive been terminated by the Company other than for Cause (and not due to his death or disability) in accordance with Section 5(d) above (subject to the terms of Section 5(e) above).

(g) By the Executive Other than for Good Reason or by Giving a Non-Renewal Notice. The Executive may terminate his employment hereunder at any time upon ninety (90) days' prior written notice to the Company. In the event of termination of the Executive's employment pursuant to this Section 5(g), or if the Executive should give a Non-Renewal Notice pursuant to Section 2 hereof, the Board may elect to waive the period of notice, or any portion thereof, and, if the Board so elects, the Company will pay the Executive the Final Compensation and, to the extent permitted under (and subject to the terms of) the applicable plan documents, provide the Insurance Benefits for the notice period (or any portion thereof) so waived. Upon such employment termination, the

Company shall have no further obligation hereunder to the Executive, other than for any Final Compensation and Prorated Bonus due to him.

(h) Post-Agreement Employment. In the event the Executive remains in the employ of the Company or any of its subsidiaries following termination of this Agreement, by the expiration of the term hereof or otherwise, then such employment shall be at will.

6. Effect of Termination. The provisions of this Section 6 shall apply to a termination of the Executive's employment with the Company hereunder, whether due to the expiration of the term hereof, pursuant to Section 5 or otherwise.

(a) Payment by the Company of any applicable Final Compensation, Termination Compensation, Benefit Continuation, acceleration of equity vesting (or termination of Company repurchase rights, as applicable) and/or any other amounts or benefits that may be due the Executive in each case under the applicable termination provision of Section 5 shall constitute the entire obligation of the Company to the Executive, and the Executive shall not be entitled to additional payments or benefits under any other severance agreement or executive severance plan of the Company. Upon request of the Company, the Executive shall promptly give the Company notice of all facts necessary for the Company to determine the amount and duration of its obligations in connection with any termination pursuant to Section 5 hereof.

(b) Except for the Benefit Continuation and equity-security related benefits pursuant to Section 5(d) or 5(f) hereof, all benefits shall terminate pursuant to the terms of the applicable benefit plans based on the date of termination of the Executive's employment without regard to any continuation of any applicable Termination Compensation or other payment to the Executive following such date of termination.

(c) Provisions of this Agreement shall survive any termination of Executive's employment hereunder if so provided herein or if necessary or desirable to accomplish the purposes of other surviving provisions, including without limitation the Restrictive Covenants (as defined below). The obligation of the Company to make payments and provide benefits to or on behalf of the Executive under 5(b), 5(d), 5(f) or 5(g) hereof (other than the Final Compensation) is expressly conditioned upon the Executive's continued compliance with the Restrictive Covenants; provided that (i) the Company may not discontinue any such payments and benefits (or require repayment of any such payments or benefits already provided to the Executive) unless the Company has provided written notice to the Executive setting forth in reasonable detail the nature of such non-compliance and, if the nature of such non-compliance is such that it is capable of being remedied by the Executive without any damage to the Company, as determined by the Board (excluding the Executive), the Executive shall have failed to remedy such non-compliance within ten (10) days following receipt of such notice (it being understood that if the nature of such non-compliance is such that it is not capable of being remedied by the Executive without any damage to the Company, as determined by the Board (excluding the Executive), the Company may discontinue such payments and benefits at such time as it provides such written notice to the Executive) and (ii) to the extent curable, the Company may suspend or

discontinue such payments or benefits thereafter only during such period as such non-compliance continues. The Executive recognizes that, except as expressly provided in Section 5, no compensation is earned after termination of employment.

7. Restrictive Covenants. As an inducement and as essential consideration for the Company to enter into this Agreement, and in exchange for other good and valuable consideration, the Executive hereby agrees to the restrictive covenants contained in this Section 7 (the "Restrictive Covenants"). The Company and the Executive agree that the Restrictive Covenants are essential and narrowly tailored to preserve the goodwill of the business of the Company and its affiliates, to maintain the confidential and trade secret information of the Company and its affiliates, and to protect other legitimate business interests of the Company and its affiliates in light of their niche businesses and the executive position held by the Executive. The Company and the Executive further agree that the Company would not have entered into this Agreement without the Executive's agreement to the Restrictive Covenants. For purposes of the Restrictive Covenants, each reference to "Company" and "affiliate" shall also refer to the predecessors and successors of the Company and any of its affiliates (as the case may be).

(a) Non-Competition. During the period commencing on the Effective Date and ending on the date that is twelve (12) months after the date on which the Executive's employment hereunder terminates (the "Termination Date"), regardless of the reason for the Executive's termination of employment and regardless of who initiates such termination (such period, the "Non-Competition Period"), the Executive shall not, anywhere in the United States or in any other country or jurisdiction in which the Company or any of its affiliates conducts or conducted business during the Non-Competition Period, either directly or indirectly, as a proprietor, partner, stockholder, director, executive, employee, consultant, joint venturer, member, investor, lender or otherwise, engage or assist others to engage in, or own, manage, operate or control, or participate in the ownership, management, operation or control of, or become employed or engaged by any person or entity that (i) is engaged in the business of the cultivation, manufacture and/or sale of cannabis or (ii) is, or has taken steps to become, competitive with the current business, activities, products or services of the type conducted, authorized, offered, or provided by the Company or any of its affiliates, or with respect to prospective business, activities, products or services which the Company or any of its affiliates (with the Executive's knowledge or involvement) has spent significant time or resources analyzing for the purposes of assessing expansion opportunities by the Company or any of its affiliates during the twelve (12) month period immediately prior to the Termination Date, in each case except as set forth on Exhibit A or otherwise approved by the Board at any time prior to the Termination Date (the "Competitive Business"). Notwithstanding the foregoing, nothing in this Section 7(a) shall prevent the Executive from (i) participating in any or all of the engagements or activities set forth on Exhibit A hereto so long as such engagements or activities do not (A) individually or in the aggregate, interfere with the performance of the Executive's duties under this Agreement and (B) materially change in the nature or scope of the Executive's engagement after the Effective Date or (ii) owning, as a passive investor, up to two percent (2%) of the securities of any entity that are publicly traded on a national securities exchange.

(b) Customer Non-Solicitation. During the period commencing on the Effective Date and ending on the date that is twelve (12) months after the Termination Date, regardless of the reason for the Executive's termination of employment and regardless of who initiates such termination, the Executive shall not (except on the Company's behalf during the term hereof), for purposes of providing products or services that are competitive with those provided by the Company or any of its affiliates, directly or indirectly, on the Executive's own behalf or on behalf of any other person or entity, contact, solicit, divert, induce, call on, take away, or do business with (or attempt to do any of the foregoing) any customer or client of the Company or any of its affiliates (or any person or entity who, during the twelve (12) months prior to the Termination Date, was engaged in mutual contact, discussion or correspondence with the Company in respect of becoming a customer or client of the Company or any of its affiliates) with whom the Executive had contact within the twelve (12) months immediately prior to the Termination Date.

(c) Service Provider Non-Solicitation. During the period commencing on the Effective Date and ending on the date that is twelve (12) months after the Termination Date, regardless of the reason for the Executive's termination of employment and regardless of who initiates such termination, the Executive shall not (except on the Company's behalf during the term hereof), directly or indirectly, on the Executive's own behalf or on behalf of any other person or entity, solicit for employment or engagement, employ or engage, or interfere with the employment or engagement of (or attempt to do any of the foregoing) any individual who (A) is employed by, or an independent contractor of, the Company or any of its affiliates at the time of such solicitation, interference or attempt thereof or (B) was employed by, or an independent contractor of, the Company or any of its affiliates within twelve (12) months prior to such solicitation, employment, engagement, interference or attempt thereof.

(d) Non-Disparagement. During the term hereof and at all times thereafter, (I) the Executive shall not, directly or through any other person or entity, make any public or private statements (whether orally, in writing, via electronic transmission, or otherwise) that disparage, denigrate or malign (i) the Company or any of its affiliates, (ii) any of the businesses, activities, operations, affairs, reputations or prospects of the Company or any of its affiliates, or (iii) any of the officers, employees, directors, managers, partners (general and limited), agents, members or shareholders of any of the persons or entities described in any of clauses (i) or (ii) and (II) none of the members of the Board shall, and the Company shall not instruct any of its employees or employees of any of its affiliates to, directly or through any other person or entity, make any public or private statements (whether orally, in writing, via electronic transmission, or otherwise) that disparage, denigrate or malign the Executive. For purposes of clarification, and not limitation, a statement shall be deemed to disparage, denigrate or malign a person or entity if such statement could be reasonably construed to adversely affect the opinion any other person or entity may have or form of such first person or entity. No obligation under this Section 7(d) shall be violated by truthful statements (x) made to any governmental authority, (y) which are in connection with legal process, required governmental testimony or filings, or administrative or arbitral

proceedings (including, without limitation, depositions in connection with such proceedings) or (z) made in performance reviews.

(e) Confidentiality; Return of Property. During the term hereof and at all times thereafter, the Executive shall not, without the prior express written consent of the Company, directly or indirectly, use on the Executive's behalf or on behalf of any other person or entity, or divulge, disclose or make available or accessible to any person or entity, any Confidential Information (as defined below), other than when required to do so in good faith to perform the Executive's duties and responsibilities hereunder while employed by the Company, or when required to do so by a lawful order of a court of competent jurisdiction, any governmental authority or agency, or any recognized subpoena power. Nothing in this Section 7(e) or in this Agreement prohibits the Executive from reporting possible violations of federal law or regulation to any governmental agency or entity, or making other disclosures that are protected under the whistleblower provisions of applicable law or regulation. Further, in accordance with the Defend Trade Secrets Act of 2016, (I) the Executive shall not be held criminally or civilly liable under any federal or state trade secret law for the disclosure of a trade secret that: (A) is made (i) in confidence to a federal, state, or local government official, either directly or indirectly, or to an attorney; and (ii) solely for the purpose of reporting or investigating a suspected violation of law; or (B) is made in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal, and (II) if the Executive files a lawsuit for retaliation by the Company for reporting a suspected violation of law, the Executive may disclose a trade secret to his attorney and use the trade secret information in the court proceeding, if the Executive files any document containing the trade secret under seal and does not disclose the trade secret except pursuant to court order. In the event that the Executive becomes legally compelled (by oral questions, interrogatories, request for information or documents, subpoena, criminal or civil investigative demand or similar process) to disclose any Confidential Information, then prior to such disclosure, the Executive will provide the Board with prompt written notice so that the Company may seek (with the Executive's cooperation) a protective order or other appropriate remedy and/or waive compliance with the provisions of this Agreement. In the event that such protective order or other remedy is not obtained, then the Executive will furnish only that portion of the Confidential Information which is legally required (as may be advised by Executive's legal counsel), and will cooperate with the Company in the Company's efforts to obtain reliable assurance that confidential treatment will be accorded to the Confidential Information. In addition, the Executive shall not create any derivative work or other product based on or resulting from any Confidential Information (except in the good faith performance of the Executive's duties under this Agreement while employed by the Company). The Executive shall also proffer to the Board's designee, no later than the Termination Date (or upon the earlier request of the Company), and without retaining any copies, notes or excerpts thereof, all property of the Company and its affiliates in whatever form, including, without limitation, memoranda, computer disks or other media, computer programs, diaries, notes, records, data, customer or client lists, marketing plans and strategies, and any other documents consisting of or containing Confidential Information, that are in the Executive's actual or constructive possession or which are subject to the

Executive's control at such time. To the extent the Executive has retained any such property or Confidential Information on any electronic or computer equipment belonging to the Executive or under the Executive's control, the Executive agrees to so advise Company and to follow Company's instructions in permanently deleting all such property or Confidential Information and all copies. For purposes of this Agreement, "Confidential Information" shall mean all information of a sensitive, confidential or proprietary nature respecting the business and activities of the Company or any of its affiliates, including, without limitation, the terms and provisions of this Agreement (except for the terms and provisions of Section 7), and the clients, customers, suppliers, computer or other files, projects, products, computer disks or other media, computer hardware or computer software programs, marketing plans, financial information, methodologies, Inventions (as defined below), know-how, research, developments, processes, practices, approaches, projections, forecasts, formats, systems, data gathering methods and/or strategies of the Company or any of its affiliates. Confidential Information also includes all information received by the Company or any of its affiliates under an obligation of confidentiality to a third party of which the Executive has knowledge. Notwithstanding the foregoing, Confidential Information shall not include any information that is generally available, or is made generally available, to the public other than as a result of a direct or indirect unauthorized disclosure by the Executive or any other person or entity subject to a confidentiality obligation.

(f) Ownership of Inventions. The Executive acknowledges and agrees that all Company Inventions (as defined below) (including all intellectual property rights arising therein or thereto, all rights of priority relating to patents, and all claims for past, present and future infringement, misappropriation relating thereto), and all Confidential Information, hereby are and shall be the sole and exclusive property of the Company (collectively, the "Company IP"). For consideration acknowledged and received, the Executive hereby irrevocably assigns, conveys and sets over to the Company all of the Executive's right, title and interest in and to all Company IP. The Executive acknowledges and agrees that the compensation received by the Executive for employment or services provided to the Company is adequate consideration for the foregoing assignment. The Executive further agrees to disclose in writing to the Board any Company Inventions promptly following their conception or reduction to practice. Such disclosure shall be sufficiently complete in technical detail and appropriately illustrated by sketch or diagram to convey to one skilled in the art of which the Company Invention pertains, a clear understanding of the nature, purpose, operations, and other characteristics of the Company Invention. The Executive agrees to execute and deliver such deeds of assignment or other documents of conveyance and transfer as the Company may request to confirm in the Company or its designee the ownership of the Company Inventions, without compensation beyond that provided in this Agreement. The Executive further agrees, upon the request of the Company and at its expense, that the Executive will execute any other instrument and document necessary or desirable in applying for and obtaining patents in the United States and in any foreign country with respect to any Company Invention. The Executive further agrees, whether or not the Executive is then an employee or other service provider of the Company or any of its affiliates, upon request of the Company, to provide reasonable

assistance with respect to the perfection, recordation or other documentation of the assignment of Company IP hereunder, and the enforcement of the Company's rights in any Company IP, and to cooperate to the extent and in the manner reasonably requested by the Company in any litigation or other claim or proceeding (including, without limitation, the prosecution or defense of any claim involving a patent) involving any Company IP covered by this Agreement, without further compensation, but all reasonable out-of-pocket expenses incurred by the Executive in satisfying the requirements of this Section 7(f) shall be paid by the Company or its designee. The Executive shall not, on or after the Effective Date, directly or indirectly challenge the validity or enforceability of the Company's ownership of, or rights with respect to, any Company IP, including, without limitation, any patent issued on, or patent application filed in respect of, any Company Invention. For purposes of this Agreement, "Company Invention" shall mean any Invention that is made, conceived, invented, authored, or first actually reduced to practice, by the Executive (alone or jointly with others) (i) in the course of, in connection with, or as a result of the Executive's employment or other service with the Company or any of its affiliates (whether before, on, or after the Effective Date, but not before the commencement of Executive's employment with the Company or its predecessor), (ii) at the direction or request of the Company or any of its affiliates (whether before, on, or after the Effective Date), or (iii) through the use of, or that is related to, facilities, equipment, Confidential Information, other Company Inventions, intellectual property or other resources of the Company or any of its affiliates, whether or not during the Executive's work hours (and whether before, on, or after the Effective Date, but not before the commencement of Executive's employment with the Company or its predecessor). For purposes of this Agreement, "Invention" shall mean any invention, formula, therapy, diagnostic technique, discovery, improvement, idea, technique, design, method, art, process, methodology, algorithm, machine, development, product, service, technology, strategy, software, work of authorship or other Works (as defined below), trade secret, innovation, trademark, data, database, or the like, whether or not patentable, together with all intellectual property rights therein.

(g) Works for Hire. The Executive also acknowledges and agrees that all works of authorship, in any format or medium, and whether published or unpublished, created wholly or in part by the Executive, whether alone or jointly with others, (i) in the course of, in connection with, or as a result of the Executive's employment or other service with the Company or any of its affiliates (whether before, on, or after the Effective Date), (ii) at the direction or request of the Company or any of its affiliates (whether before, on, or after the Effective Date), or (iii) through the use of, or that is related to, facilities, equipment, Confidential Information, other Company Inventions, intellectual property or other resources of the Company or any of its affiliates, whether or not during the Executive's work hours (and whether before, on, or after the Effective Date) ("Works"), are works made for hire as defined under United States copyright law, and that the Works (and all copyrights arising in the Works) are owned exclusively by the Company and all rights therein will automatically vest in the Company without the need for any further action by any party. To the extent any such Works are not deemed to be works made for hire, for consideration acknowledged and received, the Executive hereby waives any "moral rights" in such Works and the Executive hereby irrevocably assigns, transfers, conveys and sets

over to the Company or its designee, without compensation beyond that provided in this Agreement, all right, title and interest in and to such Works, including without limitation all rights of copyright arising therein or thereto, and further agrees to execute such assignments or other deeds of conveyance and transfer as the Company may request to vest in the Company or its designee all right, title and interest in and to such Works, including all rights of copyright arising in or related to the Works.

(h) Cooperation. During and after the term hereof, the Executive agrees to cooperate with the Company and its affiliates in any internal investigation, any administrative, regulatory, or judicial proceeding or any dispute with a third party concerning issues about which the Executive has knowledge or that may relate to the Executive or the Executive's employment or service with the Company or any of its affiliates (or the termination thereof). The Executive's obligation to cooperate hereunder includes, without limitation, being available to the Company and its affiliates upon reasonable notice for interviews and factual investigations, appearing in any forum at the Company's or any of its affiliates' reasonable request to give testimony (without requiring service of a subpoena or other legal process), volunteering to the Company and its affiliates pertinent information, and turning over to the Company and its affiliates all relevant documents which are or may come into the Executive's possession. The Company shall promptly reimburse the Executive for the reasonable pre-approved out-of-pocket expenses incurred by the Executive in connection with such cooperation. For the avoidance of doubt, the immediately preceding sentence shall not require the Company to reimburse the Executive for any attorneys' fees or related costs the Executive may incur absent advance written approval by the Company, which shall not be unreasonably withheld.

(i) Notification Requirement. Until the expiration of the period or periods for Restrictive Covenants (as applicable), the Executive shall, upon a reasonable request by the Company, give notice to the Company of any new business activity in which he is engaged. Such notice shall state the name and address of the individual, corporation, limited liability company, association, partnership, estate, trust and other entity or organization, other than the Company or any of its affiliates (any such individual or entity being hereinafter referred to as a "Person") for whom such activity is undertaken and the nature of the Executive's business relationship(s) and position(s) with such Person. The Executive shall provide the Company with such other pertinent information concerning such business activity as the Company may reasonably request in order to determine the Executive's continued compliance with the Restrictive Covenants.

(j) Enforcement of Covenants. The Executive acknowledges that he has carefully read and considered all the terms and conditions of this Agreement, including the Restrictive Covenants. The Executive agrees that the Restrictive Covenants are necessary for the reasonable and proper protection of the Company and its affiliates and that each and every one of the Restrictive Covenants is reasonable in respect to subject matter, length of time and geographic area, and otherwise. The Executive further acknowledges that, were he to breach any of the Restrictive Covenants, the damage to the Company and its affiliates would be irreparable. The Executive therefore agrees that the Company and its affiliates, in

addition to any other legal or equitable remedies available to them, shall be entitled to preliminary and permanent injunctive relief against any breach or threatened breach by the Executive of any of the Restrictive Covenants, without having to post bond, and to specific performance of each of the terms thereof, and shall be entitled to recover their reasonable costs and attorneys' fees in enforcing the Restrictive Covenants. The Executive further agrees that (i) any breach or claimed breach of the provisions of this Agreement by, or any other claim the Executive may have against, the Company or any of its affiliates will not be a defense to enforcement of any Restrictive Covenant and (ii) the circumstances of the Executive's termination of employment with the Company will have no impact on the Executive's obligations to comply with any Restrictive Covenant. The Restrictive Covenants are intended for the benefit of the Company and each of its affiliates. Each affiliate of the Company is an intended third party beneficiary of the Restrictive Covenants, and each affiliate of the Company, as well as any successor or assign of the Company or such affiliate, may enforce the Restrictive Covenants. The parties further agree that, in the event that any provision of the Restrictive Covenants shall be determined by any court of competent jurisdiction to be unenforceable by reason of its being extended over too great a time, too large a geographic area or too great a range of activities or otherwise, such provision shall be deemed to be modified by the court to permit its enforcement to the maximum extent permitted by law.

(k) Notification of New Employer. In the event that the Executive is employed or otherwise engaged by any other person or entity following the Termination Date, the Executive agrees to notify, and consents to the notification by Company and its affiliates of, such person or entity of the Restrictive Covenants.

8. Excise Tax.

(a) Notwithstanding anything to the contrary contained in this Agreement or otherwise, to the extent that any payment, distribution or acceleration of vesting to or for the benefit of Executive by the Company (within the meaning of Section 280G of the Code and the regulations thereunder), whether paid or payable or distributed or distributable pursuant to the terms of this Agreement or otherwise (the "Total Payments"), is or will be subject to the excise tax imposed under Section 4999 of the Code (the "Excise Tax"), then the Total Payments shall be reduced (but not below zero) to the Safe Harbor Amount (as defined below) if and to the extent that a reduction in the Total Payments would result in Executive retaining a larger amount, on an after-tax basis (taking into account federal, state and local income and employment taxes and the Excise Tax), than if Executive received the entire amount of such Total Payments in accordance with their existing terms (taking into account federal, state, and local income and employment taxes and the Excise Tax). For purposes of this Agreement, the term "Safe Harbor Amount" means the largest portion of the Total Payments that would result in no portion of the Total Payments being subject to the Excise Tax. To effectuate the foregoing, the Company shall reduce or eliminate the Total Payments by first reducing or eliminating the portion of the Total Payments which are payable in cash and then by reducing or eliminating non-cash payments, in each case,

starting with the payments to be made farthest in time from the Determination (as defined below).

(b) The determination of whether the Total Payments shall be reduced as provided in Section 8(a) and the amount of such reduction shall be made at the Company's expense by an accounting firm selected by Company from among the 10 largest accounting firms in the United States or by qualified independent tax counsel (the "Determining Party"); *provided*, that Executive shall be given advance notice of the Determining Party selected by the Company, and shall have the opportunity to reject the selection, within two business days of being notified of the selection, on the basis of that Determining Party's having a conflict of interest or other reasonable basis, in which case the Company shall select an alternative firm among the 10 largest accounting firms in the United States or alternative independent qualified tax counsel, which shall become the Determining Party. Such Determining Party shall provide its determination (the "Determination"), together with detailed supporting calculations and documentation to the Company and Executive, within 10 business days of the termination of Executive's employment or at such other time mutually agreed by the Company and Executive. If the Determining Party determines that no Excise Tax is payable by Executive with respect to the Total Payments, it shall furnish Executive with an opinion reasonably acceptable to Executive that no Excise Tax will be imposed with respect to any such payments and, absent manifest error, such Determination shall be binding, final and conclusive upon the Company and Executive. If the Determining Party determines that an Excise Tax would be payable, the Company shall have the right to accept the Determination as to the extent of the reduction, if any, pursuant to Section 8(a), or to have such Determination reviewed by another accounting firm selected by the Company, at the Company's expense. If the two accounting firms do not agree, a third accounting firm shall be jointly chosen by Executive and the Company, in which case the determination of such third accounting firm shall be binding, final and conclusive upon the Company and Executive.

(c) If, notwithstanding any reduction described in this Section 8, the Internal Revenue Service ("IRS") determines that Executive is liable for the Excise Tax as a result of the receipt of any of the Total Payments or otherwise, then Executive shall be obligated to pay back to the Company, within 30 calendar days after a final IRS determination or in the event that Executive challenges the final IRS determination, a final judicial determination, a portion of the Total Payments equal to the "Repayment Amount". The "Repayment Amount" with respect to the payment of benefits shall be the smallest such amount, if any, as shall be required to be paid to the Company so that Executive's net after-tax proceeds with respect to the Total Payments (after taking into account the payment of the Excise Tax and all other applicable taxes imposed on the Total Payments) shall be maximized. The Repayment Amount shall be zero if a Repayment Amount of more than zero would not result in Executive's net after-tax proceeds with respect to the Total Payments being maximized. If the Excise Tax is not eliminated pursuant to this Section 8, Executive shall pay the Excise Tax.

(d) Notwithstanding any other provision of this Section 8, if (i) there is a reduction in the Total Payments as described in this Section 8, (ii) the IRS later determines that Executive is liable for the Excise Tax, the payment of which would result in the maximization of Executive's net after-tax proceeds (calculated as if Executive's benefits had not previously been reduced), and (iii) Executive pays the Excise Tax, then the Company shall pay to Executive those payments or benefits which were reduced pursuant to this Section 8 as soon as administratively possible after Executive pays the Excise Tax (but not later than March 15 following the calendar year of the IRS determination) so that Executive's net after-tax proceeds with respect to the Total Payments are maximized.

(e) If, following a reduction of the Total Payments pursuant to Section 8(a), the Determining Party or a court of competent jurisdiction determines that the Total Payments were reduced to a greater extent than required under Section 8, then the Company shall as soon as administratively possible (but not later than by March 15 following the calendar year of such determination) pay the amount of such excess reduction to or for the benefit of Executive, together with interest at the applicable federal rate (as defined in Section 7872(f)(2)(A) of the Code), from the date the amount would have otherwise been paid to Executive until the payment date.

(f) To the extent requested by Executive, the Company shall cooperate with Executive in good faith in valuing, and the Determining Party shall take into account the value of, services provided or to be provided by Executive (including, without limitation, Executive's agreeing to refrain from performing services pursuant to a covenant not to compete or similar covenant, before, on or after the date of a change in ownership or control of the Company (within the meaning of Q&A-2(b) of the final regulations under Section 280G of the Code), such that payments in respect of such services may be considered reasonable compensation within the meaning of Q&A-9 and Q&A-40 to Q&A-44 of the final regulations under Section 280G of the Code and/or exempt from the definition of the term "parachute payment" within the meaning of Q&A-2(a) of the final regulations under Section 280G of the Code in accordance with Q&A-5(a) of the final regulations under Section 280G of the Code.

9. Conflicting Agreements. The Executive hereby represents and warrants that the execution of this Agreement and the performance of his obligations hereunder will not breach or be in conflict with any other agreement to which the Executive is a party or is bound and that the Executive is not now subject to any covenants against competition or similar covenants or any court order or other legal obligation that would affect the performance of his obligations hereunder, any and all of which are superseded by this Agreement. The Executive will not disclose to or use on behalf of the Company any proprietary information of a third party without such party's consent.

10. Indemnification. The Company shall indemnify the Executive to the maximum extent permitted by the General Corporation Law of the State of Delaware. At the request of the Executive, and subject to the approval of the Board (excluding the Executive), the Company shall enter into an indemnification agreement with the Executive on terms at least as favorable in

each respect to the Executive as the terms of any other indemnification agreement between the Company and any other director or officer of the Company. The Executive agrees to promptly notify the Company of any actual or threatened claim arising out of or as a result of his employment or other service with the Company or any of its affiliates (or the termination thereof).

11. Withholding. All payments made by the Company under this Agreement shall be reduced by any tax or other amounts required to be withheld by the Company under applicable law.

12. Assignment. Neither the Company nor the Executive may make any assignment of this Agreement or any interest herein, by operation of law or otherwise, without the prior written consent of the other; provided, however, that the Company may assign its rights and obligations under this Agreement without the consent of the Executive in the event that the Company shall hereafter effect a reorganization, consolidate with, or merge into, any person or entity, transfer a substantial majority of its properties or assets to any person or entity, or engage in a similar transaction with any person or entity. This Agreement shall inure to the benefit of and be binding upon the Company and the Executive, and their respective successors, executors, administrators, heirs and permitted assigns.

13. Severability. If any portion or provision of this Agreement shall to any extent be declared illegal or unenforceable by a court of competent jurisdiction, then the remainder of this Agreement, or the application of such portion or provision in circumstances other than those as to which it is so declared illegal or unenforceable, shall not be affected thereby, and each portion and provision of this Agreement shall be valid and enforceable to the fullest extent permitted by law.

14. Amendment and Waiver. This Agreement may be amended or modified only by a written instrument signed by the Executive and the Company. No waiver of any provision hereof shall be effective unless made in writing and signed by the waiving party. The failure of either party to require the performance of any term or obligation of this Agreement, or the waiver by either party of any breach of this Agreement, shall not prevent any subsequent enforcement of such term or obligation or be deemed a waiver of any subsequent breach. No waiver by either of the parties of any breach by the other party hereto of any condition or provision of this Agreement to be performed by the other party hereto shall be deemed a waiver of any similar or dissimilar provision or condition at the same or any prior or subsequent time.

15. Notices. Any and all notices, requests, demands and other communications provided for by this Agreement shall be in writing and shall be effective when delivered in person or deposited in the United States mail, postage prepaid, registered or certified, and addressed:

(a) if to the Executive, at his last known address on the books of the Company, with a copy to Feinberg Hanson LLP, 855 Boylston Street, Boston, Massachusetts 02116, attention: David H. Feinberg; and

(b) if to the Company, at its principal place of business, attention, Secretary, with a copy to Foley Hoag LLP, Seaport West, 155 Seaport Boulevard, Boston, Massachusetts 02210, attention: Erica Rice; or

(c) to such other address as either party may specify by notice to the other actually received.

16. Entire Agreement. This Agreement constitutes the entire agreement between the parties with respect to the subject matter hereof and supersedes all prior communications, agreements and understandings, written or oral, with respect to the terms and conditions of the Executive's employment and the subject matter hereof.

17. Headings. The headings and captions in this Agreement are for convenience only and in no way define or describe the scope or content of any provision of this Agreement.

18. Counterparts. This Agreement may be executed in two or more counterparts, each of which shall be an original and all of which together shall constitute one and the same instrument. Delivery of an executed counterpart of this Agreement, by electronic mail in portable document format (.pdf) or by any other electronic means intended to preserve the original graphic and pictorial appearance of a document, has the same effect as delivery of an executed original of this Agreement.

19. Governing Law; Venue; WAIVER OF JURY TRIAL. This Agreement, the rights of the parties and all claims, actions, causes of action, suits, litigation, controversies, hearings, charges, complaints or proceedings arising in whole or in part under or in connection herewith, will be governed by and construed in accordance with the domestic substantive laws of the State of New York, without giving effect to any choice or conflict of law provision or rule that would cause the application of the laws of any other jurisdiction. Both the Executive and the Company agree to appear before and submit exclusively to the jurisdiction of the United States District Court for the Southern District of New York with respect to any controversy, dispute, or claim arising out of or relating to this Agreement or the Executive's employment or service with the Company or any of its affiliates (or the termination thereof), or if such controversy, dispute or claim may not be brought in federal court, to the state courts located in New York, New York and, in each case, the applicable courts of appeals of such court. Both the Executive and the Company also agree to waive, to the fullest possible extent, the defense of an inconvenient forum or lack of jurisdiction. The Executive further consents to service of process in the State of New York. **THE COMPANY AND THE EXECUTIVE HEREBY WAIVE, TO THE EXTENT PERMITTED BY APPLICABLE LAW, TRIAL BY JURY IN ANY LITIGATION IN ANY COURT WITH RESPECT TO, IN CONNECTION WITH, OR ARISING OUT OF THIS AGREEMENT OR THE EXECUTIVE'S EMPLOYMENT OR SERVICE WITH THE COMPANY OR ANY OF ITS AFFILIATES (OR THE TERMINATION THEREOF), OR THE VALIDITY, PROTECTION, INTERPRETATION, COLLECTION OR ENFORCEMENT OF THIS AGREEMENT (WHETHER ARISING IN CONTRACT, EQUITY, TORT OR OTHERWISE).**

20. Code Section 409A Compliance. This Agreement is intended to comply with Code Section 409A (to the extent applicable) and the parties hereto agree to interpret this Agreement in the least restrictive manner necessary to comply therewith and without resulting in any increase in the amounts owed hereunder by the Company. To the maximum extent possible, any severance owed under this Agreement shall be construed to fit within the "short-term deferral rule" under Code Section 409A and/or the "two times two year" involuntary separation pay exception under Code Section 409A. Notwithstanding any other provision of this Agreement to the contrary, if the Executive is a "specified employee" within the meaning of Code Section 409A and the regulations issued thereunder, and a payment or benefit provided for in this Agreement would be subject to additional tax under Code Section 409A if such payment or benefit is paid within six (6) months after the Executive's "separation from service" (within the meaning of Code Section 409A), then such payment or benefit required under this Agreement (i) shall not be paid (or commence) during the six-month period immediately following the Executive's separation from service and (ii) shall instead be paid to the Executive in a lump-sum cash payment on the earlier of (A) the first regular payroll date of the seventh month following the Executive's separation from service or (B) the 10th business day following the Executive's death (but not earlier than such payment would have been made absent such death). If the Executive's termination of employment hereunder does not constitute a "separation from service" within the meaning of Code Section 409A, then any amounts payable hereunder on account of a termination of the Executive's employment and which are subject to Code Section 409A shall not be paid until the Executive has experienced a "separation from service" within the meaning of Code Section 409A. In addition, no reimbursement or in-kind benefit shall be subject to liquidation or exchange for another benefit and the amount available for reimbursement, or in-kind benefits provided, during any calendar year shall not affect the amount available for reimbursement, or in-kind benefits to be provided, in a subsequent calendar year. Any reimbursement to which the Executive is entitled hereunder shall be made no later than the last day of the calendar year following the calendar year in which such expenses were incurred. Notwithstanding anything herein to the contrary, neither the Company nor any of its affiliates shall have any liability to the Executive or to any other person or entity if this Agreement is, or if the payments and benefits provided in this Agreement that are intended to be exempt from or compliant with Code Section 409A are, not so exempt or compliant. Each payment payable hereunder shall be treated as a separate payment in a series of payments within the meaning of, and for purposes of, Code Section 409A.

[Remainder of page intentionally left blank]

IN WITNESS WHEREOF, this Agreement has been executed as a sealed instrument by the Company, by its duly authorized representative, and by the Executive, as of the date first above written.

THE EXECUTIVE	ASCEND WELLNESS HOLDINGS, LLC
/s/ Francis Perullo	By: /s/ Abner Kurtin
Francis Perullo	Print Name and Title: Abner Kurtin Founder and CEO

Certain identified information has been omitted from this exhibit because it is not material and would likely cause competitive harm to the registrant if publicly disclosed. [***] indicates that information has been omitted.

Exhibit A

[***]

Certain identified information has been omitted from this exhibit because it is not material and would likely cause competitive harm to the registrant if publicly disclosed. [***] indicates that information has been omitted.

EMPLOYMENT AGREEMENT

This Employment Agreement (this "Agreement") dated as of March 23, 2021 (the "Effective Date") is made and entered into by and between Ascend Wellness Holdings, LLC, a Delaware limited liability company with a principal place of business at 1411 Broadway, 16th Floor, New York, NY 10018 (the "Company"), and Daniel Neville, an individual whose principal business address is in care of the Company at 1411 Broadway, 16th Floor, New York, NY 10018 (the "Executive").

RECITALS

WHEREAS, the Executive has served as the Chief Financial Officer of the Company; and

WHEREAS, the parties desire to memorialize the terms of such employment, on the terms and conditions hereinafter set forth.

AGREEMENT

NOW, THEREFORE, in consideration of the foregoing premises and the mutual promises, terms, provisions and conditions set forth in this Agreement, the parties hereby agree:

1. Employment. Subject to the terms and conditions set forth in this Agreement, the Company hereby offers, and the Executive hereby accepts, continued employment as Chief Financial Officer of the Company.

2. Term. Subject to earlier termination as hereinafter provided, the Executive's employment hereunder shall be for a term of three (3) years, commencing on the Effective Date, and, on the third anniversary of the Effective Date and each annual anniversary of the Effective Date thereafter, shall be automatically extended for successive terms of one (1) year each, unless either the Company or the Executive provides notice (a "Non-Renewal Notice") to the other at least 90 days prior to expiration of the original or any extension term that the Executive's employment hereunder is not to be so extended. The term of this Agreement, as from time to time extended or renewed, is hereafter referred to as "the term of this Agreement" or "the term hereof."

3. Capacity and Performance.

(a) During the term hereof, the Executive shall serve the Company as Chief Financial Officer, reporting to the Chief Executive Officer and to the Board of Directors of the Company (the "Board").

(b) During the term hereof, the Executive shall be employed by the Company on a full-time and diligent basis and shall perform such duties and responsibilities on behalf of the Company as are customarily performed by a Chief Financial Officer of a company of comparable size and as may be reasonably designated from time to time by the Board.

(c) During the term hereof, the Executive shall not, directly or indirectly, render any services of a business, commercial or professional nature to any person or entity other than the Company (or any affiliate thereof), whether for compensation or otherwise, without the prior written consent of the Board (excluding the Executive), which shall not be unreasonably withheld. For the avoidance of doubt, notwithstanding the foregoing, the Executive may (i) engage in the activities set forth on Exhibit A hereto so long as such activities do not (A) individually or in the aggregate, interfere with the performance of the Executive's duties under this Agreement and (B) materially change in nature or scope of the Executive's engagement after the Effective Date, in which case the Executive shall not be permitted to continue such engagement without the prior written consent of the Board (excluding the Executive) and (ii) engage in educational, charitable and civic activities and manage the Executive's personal investments and affairs, in each case, so long as such activities (A) do not, individually or in the aggregate, interfere with the performance of the Executive's duties under this Agreement and (B) are not contrary to the interests of the Company or any of its affiliates or competitive in any way with the Company or any of its affiliates.

4. Compensation and Benefits. As compensation for all services performed by the Executive under this Agreement and during the term hereof and subject to performance of the Executive's duties and obligations to the Company pursuant to this Agreement:

(a) Base Salary. The Company shall pay the Executive a base salary at the rate of $500,000 per annum. The Executive's base salary shall be payable in accordance with the payroll practices of the Company for its executives and subject to increase from time to time by the Board (excluding the Executive), in its sole discretion. The base salary set forth in this Section 4(a), as from time to time increased, is hereafter referred to as the "Base Salary."

(b) Annual Bonus Compensation. For each fiscal year that ends during the term hereof, the Executive shall be eligible to earn an annual bonus (the "Annual Bonus"). The Executive's annual target bonus opportunity for each such fiscal year shall be equal to 100% of Base Salary (the "Target Bonus"), based on the achievement of target performance goals established by the Compensation Committee of the Board (the "Compensation Committee"). If the Company and/or the Executive achieves superior performance goals established by the Compensation Committee for any fiscal year, then the Executive shall be eligible to earn an additional 100% of Base Salary as part of his Annual Bonus for such fiscal year, for total Annual Bonus eligibility of 200% of Base Salary (the "Maximum Annual Bonus"). If threshold performance goals are not achieved for any fiscal year, then the Executive shall not receive an Annual Bonus for such fiscal year. The Annual Bonus, if any, will be paid within thirty (30) days after the Board's approval of the Company's and its subsidiaries' consolidated audited financial statements for the fiscal year to which such Annual Bonus relates (and in all events in the fiscal year immediately following the fiscal year to which such Annual Bonus relates).

(c) Bonus upon Change of Control Event. Upon the consummation of a change of control (as defined in the 2021 Incentive Plan), and concurrent with the payment of any consideration to any other holders of capital stock of the Company in connection with such change of control, the Executive shall be deemed to have earned the Maximum Annual Bonus (the "Change in Control Bonus") for each fiscal year during the remainder of the Term (inclusive of partial fiscal years). Notwithstanding anything to the contrary contained herein, the obligations of the Company to pay the Change of Control Bonus to Executive shall survive any termination of this Agreement by reason of death, disability or termination of employment of Executive without limitation, except that the Company's obligation to pay the Change of Control Bonus shall terminate concurrently with any termination of Executive's employment for Cause (as defined in Section 5(c) below).

(d) Equity Incentives. Subject to the approval of the Board (excluding the Executive), on or as soon as reasonably practicable after the Effective Date, the Executive will be granted 1,500,000 Restricted Stock Units pursuant to and as defined in the Company's 2021 Equity Incentive Plan (the "2021 Incentive Plan") and subject to the terms and conditions of the applicable award agreement. During the term hereof, the Executive shall be eligible to receive additional equity grants under the 2021 Incentive Plan, or any successor plan for the issuance of stock options, restricted stock, or other equity incentives hereafter maintained by the Company and in which other senior executives of the Company participate. Any and all additional grants to the Executive under the 2021 Incentive Plan or any such successor plan shall be made at the sole discretion of the Board (excluding the Executive) and shall be subject to the terms and conditions of the applicable award agreement.

(e) Vacations. During the term hereof, the Executive shall be entitled to vacation, personal days, sick time and similar paid time off benefits in accordance with the applicable policies of the Company, as in effect from time to time.

(f) Insurance Benefits. During the term hereof and subject to any contribution therefor generally required of employees of the Company, the Executive shall be eligible to participate in any medical, dental and disability insurance plans maintained by the Company from time to time (collectively, the "Insurance Benefits"). The Executive's participation in such Insurance Benefits shall be subject to applicable law, the terms of the applicable plan documents and generally applicable Company policies. Notwithstanding anything herein to the contrary, the Company may amend, modify or terminate any Insurance Benefits at any time in its discretion.

(g) Business Expenses. During the term hereof, the Company shall promptly pay or reimburse the Executive for all reasonable, customary and necessary business expenses incurred or paid by the Executive in the performance of his duties and responsibilities hereunder, subject to any reasonable maximum annual limit and other restrictions on such expenses set by the Board (excluding the Executive) and otherwise in accordance with the Company's then-prevailing policies and procedures for expense reimbursement (including

such reasonable substantiation and documentation as may be specified by the Company from time to time).

5. Termination of Employment and Severance Benefits. Notwithstanding the provisions of Section 2 hereof, the Executive's employment hereunder shall terminate prior to the expiration of the term under the following circumstances:

(a) Death. In the event of the Executive's death during the term hereof, the Executive's employment hereunder shall immediately and automatically terminate. In such event, the Company shall pay to the Executive's designated beneficiary or, if no beneficiary has been designated by the Executive, to his estate, (i) the Base Salary earned but not paid through the date of termination (to be paid in accordance with the Company's normal payroll policies or at such earlier time as required by applicable law), (ii) the value of any vacation time earned but not used through the date of termination (to be paid in accordance with the Company's policies and applicable law), (iii) any Annual Bonus earned under Section 4(b) with respect to the fiscal year immediately preceding the fiscal year in which such termination occurs, but only to the extent unpaid as of the date of termination (with any such earned Annual Bonus to be paid at the same time as if no such termination had occurred), and (iv) any business expenses incurred by the Executive but unreimbursed as of the date of termination, provided that such expenses are reimbursable under Company policy (with such expenses to be reimbursed in accordance with the Company's expense reimbursement policies as in effect from time to time) (all of the foregoing, "Final Compensation"). In addition to Final Compensation, if the Executive's employment terminates due to his death during the term hereof, the Executive will be entitled to (x) a prorated portion of any Annual Bonus earned for the fiscal year in which such termination occurs (calculated as the Annual Bonus that would have been paid for such fiscal year, multiplied by a fraction, the numerator of which is equal to the number of days the Executive worked for the Company in such fiscal year, and the denominator of which is equal to the total number of days in such fiscal year), with any such prorated Annual Bonus to be paid at the same time as if no such termination had occurred (the "Prorated Bonus") and (y) the Benefit Continuation he would have been entitled to receive under clause (iii) of Section 5(d) below had the Executive been terminated by the Company other than for Cause in accordance with such Section 5(d). The Company shall have no further obligation to the Executive or his estate hereunder.

(b) Disability.

(i) The Company may terminate the Executive's employment hereunder, upon notice to the Executive, in the event that the Executive becomes disabled during his employment hereunder through any illness, injury, accident or condition of either a physical or psychological nature and, as a result, is unable to perform substantially all of his duties and responsibilities hereunder, with or without reasonable accommodation, for any period of ninety (90) consecutive days or more, or one hundred eighty (180) days (whether or not consecutive) during any period of three hundred and sixty-five (365) consecutive calendar days. In the event of such

termination, the Company shall pay to the Executive the Final Compensation and shall otherwise comply with the provisions of this Section 5(b). In addition to such Final Compensation, the Executive will be entitled to (x) the Prorated Bonus and (y) the Benefit Continuation he would have been entitled to receive under clause (iii) of Section 5(d) below had the Executive been terminated by the Company other than for Cause in accordance with such Section 5(d). The Company shall have no further obligation to the Executive hereunder.

(ii) In lieu of terminating the Executive's employment hereunder, the Board may designate another employee to act in the Executive's place during any period of the Executive's disability. Notwithstanding any such designation, the Executive shall continue to receive the Base Salary in accordance with Section 4(a) and Insurance Benefits in accordance with Section 4(e), to the extent permitted by the then-current terms of the applicable benefit plans, until the Executive becomes eligible for long-term disability income benefits under the Company's disability income plan (or any disability insurance policy of the Company).

(iii) If the Executive becomes eligible to receive disability income payments under the Company's disability income plan (or any disability insurance policy of the Company), the Executive shall be entitled to receive Base Salary under Section 4(a) hereof less the amount of such disability income payments being made to the Executive, and shall continue to participate in Company benefit plans in accordance with Section 4(e) and as permitted by the terms of such plans, in each case, until the termination of his employment.

(iv) Any determination as to whether during any period the Executive is disabled through any illness, injury, accident or condition of either a physical or psychological nature so as to be unable to perform substantially all of his duties and responsibilities hereunder shall be made by a physician satisfactory to both the Executive (or his duly appointed guardian) and the Company, *provided* that if the Executive and the Company do not agree on a physician, the Executive and the Company shall each select a physician and these two together shall select a third physician, whose determination as to disability shall be binding on all parties. If the Executive shall fail to submit to such medical examination, the Company's determination of the issue shall be binding on the Executive.

(c) By the Company for Cause. The Company may terminate the Executive's employment hereunder for Cause at any time upon notice to the Executive setting forth in reasonable detail the nature of such Cause. The following shall constitute "Cause" for termination:

(i) Repeated or willful refusal, failure or neglect by the Executive to perform the material duties of his employment or to follow the directions of the Board (other than by reason of the Executive's physical or mental illness or impairment);

(ii) The Executive's committing any act of fraud, embezzlement, or theft;

(iii) The Executive’s material violation of the Company’s policies;

(iv) The Executive’s behavior or engagement in any acts that may interfere with the ability of the Company or any of its affiliates to maintain a license to harvest, cultivate, process, or sell cannabis or otherwise continue to operate its business;

(v) The Executive’s breach of any non-disclosure, non-disparagement, non-competition, non-solicitation, assignment of inventions agreement or other restrictive covenants set forth herein, other than the Executive’s inadvertent and immaterial breach of any non-competition or non-disclosure obligation that is not otherwise detrimental to the Company or any of its affiliates, as determined by the Board (excluding the Executive);

(vi) The Executive’s conviction of a felony (including pleading guilty or nolo contendere to a felony) or commitment of other acts causing a material detriment to the reputation, the business or a business relationship of the Company or any of its affiliates; provided, however, that for the avoidance of doubt, no conviction or plea of nolo contendere of a felony or crime that occurs solely as a result of a violation of U.S. federal law concerning cannabis or the cannabis industry shall be deemed to constitute “Cause”, so long as (A) the acts, omissions, conduct or activity related to cannabis or the cannabis industry giving rise to any such conviction or plea of nolo contendere of a felony or crime could be reasonably believed to be in compliance with applicable state and local laws and (B) such conviction or plea of nolo contendere is not likely to interfere with the ability of the Company or any of its affiliates to maintain a license to harvest, cultivate, process, or sell cannabis or otherwise continue to operate its business;

(vii) The Executive’s willful engagement in dishonesty, illegal conduct (other than solely as a result of a violation of U.S. federal law concerning cannabis or the cannabis industry, so long as (A) the acts, omissions, conduct or activity related to cannabis or the cannabis industry giving rise to such illegal conduct could be reasonably believed to be in compliance with applicable state and local laws and (B) such illegal conduct is not likely to interfere with the ability of the Company or any of its affiliates to maintain a license to harvest, cultivate, process, or sell cannabis or otherwise continue to operate its business), or gross misconduct, which in each case is materially injurious (monetarily or otherwise) to the Company or its affiliates; or

(viii) The Executive’s material breach of the terms of this Agreement.

For purposes of this provision, no act or failure to act on the part of the Executive shall be considered "willful" unless it is done, or omitted to be done, by the Executive in bad faith or without reasonable belief that the Executive's action or omission was in the best interests of the Company. Any act, or failure to act, based on authority given pursuant to a resolution duly adopted by the Board or on the advice of counsel for the Company shall be conclusively presumed to be done, or omitted to be done, by the Executive in good faith and in the best interests of the Company.

Termination of the Executive's employment shall not be deemed to be for Cause unless and until (I) the Company has given notice thereof to the Executive specifying in reasonable detail the conduct constituting "Cause," (II) solely with respect to the conduct described in clauses (i), (iii), (iv), (v) and (viii) above, the Executive fails to cure and correct his conduct (if capable of cure and correction) within thirty (30) days after such notice, and (III) the Company delivers to the Executive a copy of a resolution duly adopted by the affirmative vote of not less than two-thirds (2/3) of the Board (excluding the Executive) (after the Executive is given an opportunity, together with counsel, to be heard before the Board), finding in good faith that the Executive has engaged in the conduct described in any of (i)-(viii) above.

Upon the giving of notice of termination of the Executive's employment hereunder for Cause, the Company shall have no further obligation hereunder to the Executive, other than for Final Compensation.

(d) By the Company Other than for Cause or by Giving a Non-Renewal Notice. The Company may terminate the Executive's employment hereunder other than for Cause (and other than in connection with the Executive's death or disability) at any time upon ninety (90) days' written notice to the Executive; provided that, during such 90-day notice period (or any portion thereof), the Executive may be required to work remotely from his residence or the Company may place the Executive on garden leave, and in all events, the Company may prohibit the Executive from entering any premises of the Company or any of its affiliates, contacting any employee, customer, vendor or supplier of the Company or any of its affiliates or accessing any property of the Company or any of its affiliates. In the event of such termination, or in the event that the Executive's employment is terminated as a result of the Company's Non-Renewal Notice pursuant to Section 2 hereof, then (i) the Company shall pay to the Executive the Final Compensation, (ii) the Company shall pay the Executive an amount equal to two (2) times the sum of Base Salary and Annual Bonus earned by the Executive for the full fiscal year immediately preceding the fiscal year in which such termination occurs (the "Termination Compensation"), payable in substantially equal installments in accordance with the Company's normal payroll practices as in effect from time to time, over the twelve (12) month period immediately following the termination date (with the first payment to be made on the first payroll date following the effective date of the Employee Release (as defined below) and to include a catch-up to cover any payment that would have been made prior to such date had the Employee Release been effective on the termination date); provided that, if such termination date occurs prior to the conclusion of one full fiscal year of employment, it shall be assumed, for purposes of determining the Termination Compensation, that Executive earned one full fiscal year of his current Base Salary and achieved an Annual Bonus of 100% of his current Base Salary; provided, further, that, if (and only if) such termination date occurs within eighteen (18) months after a Change of Control Event (as defined below), then the Termination Compensation shall be payable to the Executive in a lump sum payment on the first payroll date following the effective date of the Employee Release (rather than in installments, as provided above in this clause (ii)), (iii) subject to any employee contribution applicable to the Executive as of immediately prior to the date of termination,

the Company shall continue to pay the cost of the Executive's participation in the Company's medical and dental insurance plans for a period of twelve (12) months, provided that if the Executive's continued participation in such plans would result in a violation of any non-discrimination rules or result in any fines, penalties or excise taxes to the Company or any of its affiliates or if the Executive is otherwise not eligible to continue participation in such plans under applicable law or plan terms, then, to the extent possible without resulting in such violation, fines, penalties or excise taxes, the Company shall instead make monthly cash payments to the Executive in an amount equal to the employer portion of the monthly insurance premiums that would have been applicable had the Executive been eligible to continue such participation (the benefit described in this clause (iii), collectively, the "Benefit Continuation"), (iv) the Prorated Bonus, and (v) notwithstanding the terms of any other agreement, instrument or document to the contrary (including without limitation any vesting terms, performance criteria or other conditions, and regardless of whether entered into before or after the date of this Agreement), upon such termination, Executive's right to purchase or otherwise acquire any equity securities of the Company under any stock option or other agreement, instrument, plan, program or arrangement outstanding or in effect on the effective date of such termination shall thereupon vest in full (subject only to the payment of the applicable exercise or purchase price, if any, and provided that any equity awards that are subject to the satisfaction of performance goals shall be deemed earned at target performance), and any right of the Company or any subsidiary to repurchase any equity securities of the Company from Executive, whether arising under any option, agreement, instrument, plan, program, arrangement or otherwise, shall thereupon terminate. For purposes of this Agreement, the term "Change of Control Event" shall mean the consummation, after the Effective Date, of (i) the sale of all or substantially all of the Company's assets or at least a majority of voting power of the capital stock of the Company, (ii) any liquidation, dissolution or winding up of the Company, or (iii) the merger or consolidation of the Company with or into another entity, except a merger or consolidation in which the holders of capital stock of the Company immediately prior to such merger or consolidation continue to hold at least 50% of the voting power of the capital stock of the Company or the surviving or acquiring entity, as applicable; provided, however, that no event described in the foregoing clauses (i), (ii) and (iii) shall constitute a Change of Control Event for purposes of this Agreement unless it satisfies the requirements of Treasury Regulation Section 1.409A-3(i)(5)(v) or (vii).

(e) Any obligation of the Company to make the payments and provide the benefits to the Executive under Section 5 (other than Final Compensation) is conditioned, however, upon the Executive (or his estate or legal representative, as applicable) signing a general release of claims and covenant not to sue in such form and substance as may be agreed to by the Company and the Executive (or his estate or legal representative, as applicable) (the "Employee Release") within twenty-one days (or such greater period as the Company may specify) (the "Release Period") following the date of termination of employment and upon the Executive (or his estate or legal representative, as applicable) not revoking the Employee Release during the 7-day revocation period following the execution of the Employee Release (the "Revocation Period"). Notwithstanding the foregoing, if

payment of Termination Compensation and the Benefit Continuation could commence in more than one taxable year based on when the Employee Release could become effective, then to the extent required by Section 409A of the Code, any such payments that would have been made during the calendar year in which the Executive's employment terminates shall instead be withheld and paid on the first payroll date in the calendar year immediately after the calendar year in which the Executive's employment terminates, with all remaining payments to be made as if no such delay had occurred.

(f) By the Executive for Good Reason. The Executive may terminate his employment hereunder for Good Reason, upon notice to the Company setting forth in reasonable detail the nature of such Good Reason. The following shall constitute "Good Reason", subject to the notice and cure periods set forth below, unless the Executive shall have consented in writing to any of the following:

(i) any reduction in the Executive's Base Salary other than in connection with a general reduction in base salaries that affects all similarly situated executives in substantially the same proportions;

(ii) any reduction in the Executive's Target Bonus or Maximum Annual Bonus opportunity (other than solely as a result of a reduction in Base Salary);

(iii) any failure by the Company to nominate the Executive for re-election to the Board and to use its best efforts to have the Executive re-elected (other than as a result of a Change of Control Event, which shall be governed by this Section 5(f)(v)), or any change in the Executive's title as Chief Financial Officer of the Company;

(iv) any diminution in the Executive's responsibilities or authority within the Company, or any alteration in the nature or status of Executive's position, title or responsibilities or the conditions of Executive's employment, including the requirement for the Executive to report to any person(s) other than the Board, in any case without his prior written consent, other than any of the foregoing that occurs as a result of a Change of Control Event (which shall be governed by this Section 5(f)(v));

(v) in the event of a Change of Control Event, any failure by the acquirer to (a) make an offer of employment to the Executive for a base salary, target bonus and maximum bonus opportunity amounts that are substantially comparable in the aggregate to the Executive's Base Salary and Annual Bonus (taking into consideration both the Target Bonus and the Maximum Annual Bonus) each as of immediately prior to such sale, (b) nominate the Executive for election to the Board of the acquirer, (c) offer the Executive a position with duties, responsibilities and authority that are materially comparable to the Executive's duties, responsibilities and authority as Chief Financial Officer of the Company (disregarding any duties, responsibilities and authority the Executive had as a member of the Board or as an officer or director of any affiliate of the Company) as of immediately prior to such sale;

(vi) any failure by the Company to comply with any material provision of this Agreement; and

(vii) any requirement that the Executive relocate the principal place of his work for the Company such that his existing commute is increased by more than 50 miles.

Notwithstanding the foregoing, Good Reason shall not be deemed to exist unless (x) the Executive gives the Company written notice within ninety (90) days after the Executive first has knowledge of the occurrence of the event which the Executive believes constitutes the basis for Good Reason, specifying the particular act or failure to act which the Executive believes constitutes the basis for Good Reason, (y) the Company fails to cure such act or failure to act within sixty (60) days after receipt of such notice and (z) the Executive terminates his employment within sixty (60) days after the end of the period specified in clause (y).

In the event of termination in accordance with this Section 5(f), then the Executive will be entitled to the same payments and benefits (i.e., the Final Compensation, the Termination Compensation, the Benefit Continuation, the Prorated Bonus and acceleration of equity vesting (or termination of Company repurchase rights, as applicable)) he would have been entitled to receive had the Executive been terminated by the Company other than for Cause (and not due to his death or disability) in accordance with Section 5(d) above (subject to the terms of Section 5(e) above).

(g) By the Executive Other than for Good Reason or by Giving a Non-Renewal Notice. The Executive may terminate his employment hereunder at any time upon ninety (90) days' prior written notice to the Company. In the event of termination of the Executive's employment pursuant to this Section 5(g), or if the Executive should give a Non-Renewal Notice pursuant to Section 2 hereof, the Board may elect to waive the period of notice, or any portion thereof, and, if the Board so elects, the Company will pay the Executive the Final Compensation and, to the extent permitted under (and subject to the terms of) the applicable plan documents, provide the Insurance Benefits for the notice period (or any portion thereof) so waived. Upon such employment termination, the Company shall have no further obligation hereunder to the Executive, other than for any Final Compensation and Prorated Bonus due to him.

(h) Post-Agreement Employment. In the event the Executive remains in the employ of the Company or any of its subsidiaries following termination of this Agreement, by the expiration of the term hereof or otherwise, then such employment shall be at will.

6. Effect of Termination. The provisions of this Section 6 shall apply to a termination of the Executive's employment with the Company hereunder, whether due to the expiration of the term hereof, pursuant to Section 5 or otherwise.

(a) Payment by the Company of any applicable Final Compensation, Termination Compensation, Benefit Continuation, acceleration of equity vesting (or termination of

Company repurchase rights, as applicable) and/or any other amounts or benefits that may be due the Executive in each case under the applicable termination provision of Section 5 shall constitute the entire obligation of the Company to the Executive, and the Executive shall not be entitled to additional payments or benefits under any other severance agreement or executive severance plan of the Company. Upon request of the Company, the Executive shall promptly give the Company notice of all facts necessary for the Company to determine the amount and duration of its obligations in connection with any termination pursuant to Section 5 hereof.

(b) Except for the Benefit Continuation and equity-security related benefits pursuant to Section 5(d) or 5(f) hereof, all benefits shall terminate pursuant to the terms of the applicable benefit plans based on the date of termination of the Executive's employment without regard to any continuation of any applicable Termination Compensation or other payment to the Executive following such date of termination.

(c) Provisions of this Agreement shall survive any termination of Executive's employment hereunder if so provided herein or if necessary or desirable to accomplish the purposes of other surviving provisions, including without limitation the Restrictive Covenants (as defined below). The obligation of the Company to make payments and provide benefits to or on behalf of the Executive under 5(b), 5(d), 5(f) or 5(g) hereof (other than the Final Compensation) is expressly conditioned upon the Executive's continued compliance with the Restrictive Covenants; provided that (i) the Company may not discontinue any such payments and benefits (or require repayment of any such payments or benefits already provided to the Executive) unless the Company has provided written notice to the Executive setting forth in reasonable detail the nature of such non-compliance and, if the nature of such non-compliance is such that it is capable of being remedied by the Executive without any damage to the Company, as determined by the Board (excluding the Executive), the Executive shall have failed to remedy such non-compliance within ten (10) days following receipt of such notice (it being understood that if the nature of such non-compliance is such that it is not capable of being remedied by the Executive without any damage to the Company, as determined by the Board (excluding the Executive), the Company may discontinue such payments and benefits at such time as it provides such written notice to the Executive) and (ii) to the extent curable, the Company may suspend or discontinue such payments or benefits thereafter only during such period as such non-compliance continues. The Executive recognizes that, except as expressly provided in Section 5, no compensation is earned after termination of employment.

7. Restrictive Covenants. As an inducement and as essential consideration for the Company to enter into this Agreement, and in exchange for other good and valuable consideration, the Executive hereby agrees to the restrictive covenants contained in this Section 7 (the "Restrictive Covenants"). The Company and the Executive agree that the Restrictive Covenants are essential and narrowly tailored to preserve the goodwill of the business of the Company and its affiliates, to maintain the confidential and trade secret information of the Company and its affiliates, and to protect other legitimate business interests of the Company and its affiliates in light of their niche businesses and the executive position held by the Executive.

The Company and the Executive further agree that the Company would not have entered into this Agreement without the Executive's agreement to the Restrictive Covenants. For purposes of the Restrictive Covenants, each reference to "Company" and "affiliate" shall also refer to the predecessors and successors of the Company and any of its affiliates (as the case may be).

(a) Non-Competition. During the period commencing on the Effective Date and ending on the date that is twelve (12) months after the date on which the Executive's employment hereunder terminates (the "Termination Date"), regardless of the reason for the Executive's termination of employment and regardless of who initiates such termination (such period, the "Non-Competition Period"), the Executive shall not, anywhere in the United States or in any other country or jurisdiction in which the Company or any of its affiliates conducts or conducted business during the Non-Competition Period, either directly or indirectly, as a proprietor, partner, stockholder, director, executive, employee, consultant, joint venturer, member, investor, lender or otherwise, engage or assist others to engage in, or own, manage, operate or control, or participate in the ownership, management, operation or control of, or become employed or engaged by any person or entity that (i) is engaged in the business of the cultivation, manufacture and/or sale of cannabis or (ii) is, or has taken steps to become, competitive with the current business, activities, products or services of the type conducted, authorized, offered, or provided by the Company or any of its affiliates, or with respect to prospective business, activities, products or services which the Company or any of its affiliates (with the Executive's knowledge or involvement) has spent significant time or resources analyzing for the purposes of assessing expansion opportunities by the Company or any of its affiliates during the twelve (12) month period immediately prior to the Termination Date, in each case except as set forth on Exhibit A or otherwise approved by the Board at any time prior to the Termination Date (the "Competitive Business"). Notwithstanding the foregoing, nothing in this Section 7(a) shall prevent the Executive from (i) participating in any or all of the engagements or activities set forth on Exhibit A hereto so long as such engagements or activities do not (A) individually or in the aggregate, interfere with the performance of the Executive's duties under this Agreement and (B) materially change in the nature or scope of the Executive's engagement after the Effective Date or (ii) owning, as a passive investor, up to two percent (2%) of the securities of any entity that are publicly traded on a national securities exchange.

(b) Customer Non-Solicitation. During the period commencing on the Effective Date and ending on the date that is twelve (12) months after the Termination Date, regardless of the reason for the Executive's termination of employment and regardless of who initiates such termination, the Executive shall not (except on the Company's behalf during the term hereof), for purposes of providing products or services that are competitive with those provided by the Company or any of its affiliates, directly or indirectly, on the Executive's own behalf or on behalf of any other person or entity, contact, solicit, divert, induce, call on, take away, or do business with (or attempt to do any of the foregoing) any customer or client of the Company or any of its affiliates (or any person or entity who, during the twelve (12) months prior to the Termination Date, was engaged in mutual contact, discussion or correspondence with the Company in respect of becoming a

customer or client of the Company or any of its affiliates) with whom the Executive had contact within the twelve (12) months immediately prior to the Termination Date.

(c) Service Provider Non-Solicitation. During the period commencing on the Effective Date and ending on the date that is twelve (12) months after the Termination Date, regardless of the reason for the Executive's termination of employment and regardless of who initiates such termination, the Executive shall not (except on the Company's behalf during the term hereof), directly or indirectly, on the Executive's own behalf or on behalf of any other person or entity, solicit for employment or engagement, employ or engage, or interfere with the employment or engagement of (or attempt to do any of the foregoing) any individual who (A) is employed by, or an independent contractor of, the Company or any of its affiliates at the time of such solicitation, interference or attempt thereof or (B) was employed by, or an independent contractor of, the Company or any of its affiliates within twelve (12) months prior to such solicitation, employment, engagement, interference or attempt thereof.

(d) Non-Disparagement. During the term hereof and at all times thereafter, (I) the Executive shall not, directly or through any other person or entity, make any public or private statements (whether orally, in writing, via electronic transmission, or otherwise) that disparage, denigrate or malign (i) the Company or any of its affiliates, (ii) any of the businesses, activities, operations, affairs, reputations or prospects of the Company or any of its affiliates, or (iii) any of the officers, employees, directors, managers, partners (general and limited), agents, members or shareholders of any of the persons or entities described in any of clauses (i) or (ii) and (II) none of the members of the Board shall, and the Company shall not instruct any of its employees or employees of any of its affiliates to, directly or through any other person or entity, make any public or private statements (whether orally, in writing, via electronic transmission, or otherwise) that disparage, denigrate or malign the Executive. For purposes of clarification, and not limitation, a statement shall be deemed to disparage, denigrate or malign a person or entity if such statement could be reasonably construed to adversely affect the opinion any other person or entity may have or form of such first person or entity. No obligation under this Section 7(d) shall be violated by truthful statements (x) made to any governmental authority, (y) which are in connection with legal process, required governmental testimony or filings, or administrative or arbitral proceedings (including, without limitation, depositions in connection with such proceedings) or (z) made in performance reviews.

(e) Confidentiality; Return of Property. During the term hereof and at all times thereafter, the Executive shall not, without the prior express written consent of the Company, directly or indirectly, use on the Executive's behalf or on behalf of any other person or entity, or divulge, disclose or make available or accessible to any person or entity, any Confidential Information (as defined below), other than when required to do so in good faith to perform the Executive's duties and responsibilities hereunder while employed by the Company, or when required to do so by a lawful order of a court of competent jurisdiction, any governmental authority or agency, or any recognized subpoena power. Nothing in this Section 7(e) or in this Agreement prohibits the Executive from

reporting possible violations of federal law or regulation to any governmental agency or entity, or making other disclosures that are protected under the whistleblower provisions of applicable law or regulation. Further, in accordance with the Defend Trade Secrets Act of 2016, (I) the Executive shall not be held criminally or civilly liable under any federal or state trade secret law for the disclosure of a trade secret that: (A) is made (i) in confidence to a federal, state, or local government official, either directly or indirectly, or to an attorney; and (ii) solely for the purpose of reporting or investigating a suspected violation of law; or (B) is made in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal, and (II) if the Executive files a lawsuit for retaliation by the Company for reporting a suspected violation of law, the Executive may disclose a trade secret to his attorney and use the trade secret information in the court proceeding, if the Executive files any document containing the trade secret under seal and does not disclose the trade secret except pursuant to court order. In the event that the Executive becomes legally compelled (by oral questions, interrogatories, request for information or documents, subpoena, criminal or civil investigative demand or similar process) to disclose any Confidential Information, then prior to such disclosure, the Executive will provide the Board with prompt written notice so that the Company may seek (with the Executive's cooperation) a protective order or other appropriate remedy and/or waive compliance with the provisions of this Agreement. In the event that such protective order or other remedy is not obtained, then the Executive will furnish only that portion of the Confidential Information which is legally required (as may be advised by Executive's legal counsel), and will cooperate with the Company in the Company's efforts to obtain reliable assurance that confidential treatment will be accorded to the Confidential Information. In addition, the Executive shall not create any derivative work or other product based on or resulting from any Confidential Information (except in the good faith performance of the Executive's duties under this Agreement while employed by the Company). The Executive shall also proffer to the Board's designee, no later than the Termination Date (or upon the earlier request of the Company), and without retaining any copies, notes or excerpts thereof, all property of the Company and its affiliates in whatever form, including, without limitation, memoranda, computer disks or other media, computer programs, diaries, notes, records, data, customer or client lists, marketing plans and strategies, and any other documents consisting of or containing Confidential Information, that are in the Executive's actual or constructive possession or which are subject to the Executive's control at such time. To the extent the Executive has retained any such property or Confidential Information on any electronic or computer equipment belonging to the Executive or under the Executive's control, the Executive agrees to so advise Company and to follow Company's instructions in permanently deleting all such property or Confidential Information and all copies. For purposes of this Agreement, "Confidential Information" shall mean all information of a sensitive, confidential or proprietary nature respecting the business and activities of the Company or any of its affiliates, including, without limitation, the terms and provisions of this Agreement (except for the terms and provisions of Section 7), and the clients, customers, suppliers, computer or other files, projects, products, computer disks or other media, computer hardware or computer software programs, marketing plans, financial information, methodologies, Inventions (as defined below), know-how, research, developments, processes, practices, approaches,

projections, forecasts, formats, systems, data gathering methods and/or strategies of the Company or any of its affiliates. Confidential Information also includes all information received by the Company or any of its affiliates under an obligation of confidentiality to a third party of which the Executive has knowledge. Notwithstanding the foregoing, Confidential Information shall not include any information that is generally available, or is made generally available, to the public other than as a result of a direct or indirect unauthorized disclosure by the Executive or any other person or entity subject to a confidentiality obligation.

(f) Ownership of Inventions. The Executive acknowledges and agrees that all Company Inventions (as defined below) (including all intellectual property rights arising therein or thereto, all rights of priority relating to patents, and all claims for past, present and future infringement, misappropriation relating thereto), and all Confidential Information, hereby are and shall be the sole and exclusive property of the Company (collectively, the "Company IP"). For consideration acknowledged and received, the Executive hereby irrevocably assigns, conveys and sets over to the Company all of the Executive's right, title and interest in and to all Company IP. The Executive acknowledges and agrees that the compensation received by the Executive for employment or services provided to the Company is adequate consideration for the foregoing assignment. The Executive further agrees to disclose in writing to the Board any Company Inventions promptly following their conception or reduction to practice. Such disclosure shall be sufficiently complete in technical detail and appropriately illustrated by sketch or diagram to convey to one skilled in the art of which the Company Invention pertains, a clear understanding of the nature, purpose, operations, and other characteristics of the Company Invention. The Executive agrees to execute and deliver such deeds of assignment or other documents of conveyance and transfer as the Company may request to confirm in the Company or its designee the ownership of the Company Inventions, without compensation beyond that provided in this Agreement. The Executive further agrees, upon the request of the Company and at its expense, that the Executive will execute any other instrument and document necessary or desirable in applying for and obtaining patents in the United States and in any foreign country with respect to any Company Invention. The Executive further agrees, whether or not the Executive is then an employee or other service provider of the Company or any of its affiliates, upon request of the Company, to provide reasonable assistance with respect to the perfection, recordation or other documentation of the assignment of Company IP hereunder, and the enforcement of the Company's rights in any Company IP, and to cooperate to the extent and in the manner reasonably requested by the Company in any litigation or other claim or proceeding (including, without limitation, the prosecution or defense of any claim involving a patent) involving any Company IP covered by this Agreement, without further compensation, but all reasonable out-of-pocket expenses incurred by the Executive in satisfying the requirements of this Section 7(f) shall be paid by the Company or its designee. The Executive shall not, on or after the Effective Date, directly or indirectly challenge the validity or enforceability of the Company's ownership of, or rights with respect to, any Company IP, including, without limitation, any patent issued on, or patent application filed in respect of, any Company Invention. For purposes of this Agreement, "Company Invention" shall mean any Invention that is made,

conceived, invented, authored, or first actually reduced to practice, by the Executive (alone or jointly with others) (i) in the course of, in connection with, or as a result of the Executive's employment or other service with the Company or any of its affiliates (whether before, on, or after the Effective Date, but not before the commencement of Executive's employment with the Company or its predecessor), (ii) at the direction or request of the Company or any of its affiliates (whether before, on, or after the Effective Date), or (iii) through the use of, or that is related to, facilities, equipment, Confidential Information, other Company Inventions, intellectual property or other resources of the Company or any of its affiliates, whether or not during the Executive's work hours (and whether before, on, or after the Effective Date, but not before the commencement of Executive's employment with the Company or its predecessor). For purposes of this Agreement, "Invention" shall mean any invention, formula, therapy, diagnostic technique, discovery, improvement, idea, technique, design, method, art, process, methodology, algorithm, machine, development, product, service, technology, strategy, software, work of authorship or other Works (as defined below), trade secret, innovation, trademark, data, database, or the like, whether or not patentable, together with all intellectual property rights therein.

(g) Works for Hire. The Executive also acknowledges and agrees that all works of authorship, in any format or medium, and whether published or unpublished, created wholly or in part by the Executive, whether alone or jointly with others, (i) in the course of, in connection with, or as a result of the Executive's employment or other service with the Company or any of its affiliates (whether before, on, or after the Effective Date), (ii) at the direction or request of the Company or any of its affiliates (whether before, on, or after the Effective Date), or (iii) through the use of, or that is related to, facilities, equipment, Confidential Information, other Company Inventions, intellectual property or other resources of the Company or any of its affiliates, whether or not during the Executive's work hours (and whether before, on, or after the Effective Date) ("Works"), are works made for hire as defined under United States copyright law, and that the Works (and all copyrights arising in the Works) are owned exclusively by the Company and all rights therein will automatically vest in the Company without the need for any further action by any party. To the extent any such Works are not deemed to be works made for hire, for consideration acknowledged and received, the Executive hereby waives any "moral rights" in such Works and the Executive hereby irrevocably assigns, transfers, conveys and sets over to the Company or its designee, without compensation beyond that provided in this Agreement, all right, title and interest in and to such Works, including without limitation all rights of copyright arising therein or thereto, and further agrees to execute such assignments or other deeds of conveyance and transfer as the Company may request to vest in the Company or its designee all right, title and interest in and to such Works, including all rights of copyright arising in or related to the Works.

(h) Cooperation. During and after the term hereof, the Executive agrees to cooperate with the Company and its affiliates in any internal investigation, any administrative, regulatory, or judicial proceeding or any dispute with a third party concerning issues about which the Executive has knowledge or that may relate to the Executive or the Executive's employment or service with the Company or any of its

affiliates (or the termination thereof). The Executive's obligation to cooperate hereunder includes, without limitation, being available to the Company and its affiliates upon reasonable notice for interviews and factual investigations, appearing in any forum at the Company's or any of its affiliates' reasonable request to give testimony (without requiring service of a subpoena or other legal process), volunteering to the Company and its affiliates pertinent information, and turning over to the Company and its affiliates all relevant documents which are or may come into the Executive's possession. The Company shall promptly reimburse the Executive for the reasonable pre-approved out-of-pocket expenses incurred by the Executive in connection with such cooperation. For the avoidance of doubt, the immediately preceding sentence shall not require the Company to reimburse the Executive for any attorneys' fees or related costs the Executive may incur absent advance written approval by the Company, which shall not be unreasonably withheld.

(i) Notification Requirement. Until the expiration of the period or periods for Restrictive Covenants (as applicable), the Executive shall, upon a reasonable request by the Company, give notice to the Company of any new business activity in which he is engaged. Such notice shall state the name and address of the individual, corporation, limited liability company, association, partnership, estate, trust and other entity or organization, other than the Company or any of its affiliates (any such individual or entity being hereinafter referred to as a "Person") for whom such activity is undertaken and the nature of the Executive's business relationship(s) and position(s) with such Person. The Executive shall provide the Company with such other pertinent information concerning such business activity as the Company may reasonably request in order to determine the Executive's continued compliance with the Restrictive Covenants.

(j) Enforcement of Covenants. The Executive acknowledges that he has carefully read and considered all the terms and conditions of this Agreement, including the Restrictive Covenants. The Executive agrees that the Restrictive Covenants are necessary for the reasonable and proper protection of the Company and its affiliates and that each and every one of the Restrictive Covenants is reasonable in respect to subject matter, length of time and geographic area, and otherwise. The Executive further acknowledges that, were he to breach any of the Restrictive Covenants, the damage to the Company and its affiliates would be irreparable. The Executive therefore agrees that the Company and its affiliates, in addition to any other legal or equitable remedies available to them, shall be entitled to preliminary and permanent injunctive relief against any breach or threatened breach by the Executive of any of the Restrictive Covenants, without having to post bond, and to specific performance of each of the terms thereof, and shall be entitled to recover their reasonable costs and attorneys' fees in enforcing the Restrictive Covenants. The Executive further agrees that (i) any breach or claimed breach of the provisions of this Agreement by, or any other claim the Executive may have against, the Company or any of its affiliates will not be a defense to enforcement of any Restrictive Covenant and (ii) the circumstances of the Executive's termination of employment with the Company will have no impact on the Executive's obligations to comply with any Restrictive Covenant. The Restrictive Covenants are intended for the benefit of the Company and each of its affiliates. Each affiliate of the Company is an intended third party beneficiary of the Restrictive Covenants,

and each affiliate of the Company, as well as any successor or assign of the Company or such affiliate, may enforce the Restrictive Covenants. The parties further agree that, in the event that any provision of the Restrictive Covenants shall be determined by any court of competent jurisdiction to be unenforceable by reason of its being extended over too great a time, too large a geographic area or too great a range of activities or otherwise, such provision shall be deemed to be modified by the court to permit its enforcement to the maximum extent permitted by law.

(k) Notification of New Employer. In the event that the Executive is employed or otherwise engaged by any other person or entity following the Termination Date, the Executive agrees to notify, and consents to the notification by Company and its affiliates of, such person or entity of the Restrictive Covenants.

8. Excise Tax.

(a) Notwithstanding anything to the contrary contained in this Agreement or otherwise, to the extent that any payment, distribution or acceleration of vesting to or for the benefit of Executive by the Company (within the meaning of Section 280G of the Code and the regulations thereunder), whether paid or payable or distributed or distributable pursuant to the terms of this Agreement or otherwise (the "Total Payments"), is or will be subject to the excise tax imposed under Section 4999 of the Code (the "Excise Tax"), then the Total Payments shall be reduced (but not below zero) to the Safe Harbor Amount (as defined below) if and to the extent that a reduction in the Total Payments would result in Executive retaining a larger amount, on an after-tax basis (taking into account federal, state and local income and employment taxes and the Excise Tax), than if Executive received the entire amount of such Total Payments in accordance with their existing terms (taking into account federal, state, and local income and employment taxes and the Excise Tax). For purposes of this Agreement, the term "Safe Harbor Amount" means the largest portion of the Total Payments that would result in no portion of the Total Payments being subject to the Excise Tax. To effectuate the foregoing, the Company shall reduce or eliminate the Total Payments by first reducing or eliminating the portion of the Total Payments which are payable in cash and then by reducing or eliminating non-cash payments, in each case, starting with the payments to be made farthest in time from the Determination (as defined below).

(b) The determination of whether the Total Payments shall be reduced as provided in Section 8(a) and the amount of such reduction shall be made at the Company's expense by an accounting firm selected by Company from among the 10 largest accounting firms in the United States or by qualified independent tax counsel (the "Determining Party"); *provided*, that Executive shall be given advance notice of the Determining Party selected by the Company, and shall have the opportunity to reject the selection, within two business days of being notified of the selection, on the basis of that Determining Party's having a conflict of interest or other reasonable basis, in which case the Company shall select an alternative firm among the 10 largest accounting firms in the United States or alternative independent qualified tax counsel, which shall become the Determining Party. Such

Determining Party shall provide its determination (the "Determination"), together with detailed supporting calculations and documentation to the Company and Executive, within 10 business days of the termination of Executive's employment or at such other time mutually agreed by the Company and Executive. If the Determining Party determines that no Excise Tax is payable by Executive with respect to the Total Payments, it shall furnish Executive with an opinion reasonably acceptable to Executive that no Excise Tax will be imposed with respect to any such payments and, absent manifest error, such Determination shall be binding, final and conclusive upon the Company and Executive. If the Determining Party determines that an Excise Tax would be payable, the Company shall have the right to accept the Determination as to the extent of the reduction, if any, pursuant to Section 8(a), or to have such Determination reviewed by another accounting firm selected by the Company, at the Company's expense. If the two accounting firms do not agree, a third accounting firm shall be jointly chosen by Executive and the Company, in which case the determination of such third accounting firm shall be binding, final and conclusive upon the Company and Executive.

(c) If, notwithstanding any reduction described in this Section 8, the Internal Revenue Service ("IRS") determines that Executive is liable for the Excise Tax as a result of the receipt of any of the Total Payments or otherwise, then Executive shall be obligated to pay back to the Company, within 30 calendar days after a final IRS determination or in the event that Executive challenges the final IRS determination, a final judicial determination, a portion of the Total Payments equal to the "Repayment Amount". The "Repayment Amount" with respect to the payment of benefits shall be the smallest such amount, if any, as shall be required to be paid to the Company so that Executive's net after-tax proceeds with respect to the Total Payments (after taking into account the payment of the Excise Tax and all other applicable taxes imposed on the Total Payments) shall be maximized. The Repayment Amount shall be zero if a Repayment Amount of more than zero would not result in Executive's net after-tax proceeds with respect to the Total Payments being maximized. If the Excise Tax is not eliminated pursuant to this Section 8, Executive shall pay the Excise Tax.

(d) Notwithstanding any other provision of this Section 8, if (i) there is a reduction in the Total Payments as described in this Section 8, (ii) the IRS later determines that Executive is liable for the Excise Tax, the payment of which would result in the maximization of Executive's net after-tax proceeds (calculated as if Executive's benefits had not previously been reduced), and (iii) Executive pays the Excise Tax, then the Company shall pay to Executive those payments or benefits which were reduced pursuant to this Section 8 as soon as administratively possible after Executive pays the Excise Tax (but not later than March 15 following the calendar year of the IRS determination) so that Executive's net after-tax proceeds with respect to the Total Payments are maximized.

(e) If, following a reduction of the Total Payments pursuant to Section 8(a), the Determining Party or a court of competent jurisdiction determines that the Total Payments were reduced to a greater extent than required under Section 8, then the Company shall as soon as administratively possible (but not later than by March 15 following the calendar

year of such determination) pay the amount of such excess reduction to or for the benefit of Executive, together with interest at the applicable federal rate (as defined in Section 7872(f)(2)(A) of the Code), from the date the amount would have otherwise been paid to Executive until the payment date.

(f) To the extent requested by Executive, the Company shall cooperate with Executive in good faith in valuing, and the Determining Party shall take into account the value of, services provided or to be provided by Executive (including, without limitation, Executive's agreeing to refrain from performing services pursuant to a covenant not to compete or similar covenant, before, on or after the date of a change in ownership or control of the Company (within the meaning of Q&A-2(b) of the final regulations under Section 280G of the Code), such that payments in respect of such services may be considered reasonable compensation within the meaning of Q&A-9 and Q&A-40 to Q&A-44 of the final regulations under Section 280G of the Code and/or exempt from the definition of the term "parachute payment" within the meaning of Q&A-2(a) of the final regulations under Section 280G of the Code in accordance with Q&A-5(a) of the final regulations under Section 280G of the Code.

9. Conflicting Agreements. The Executive hereby represents and warrants that the execution of this Agreement and the performance of his obligations hereunder will not breach or be in conflict with any other agreement to which the Executive is a party or is bound and that the Executive is not now subject to any covenants against competition or similar covenants or any court order or other legal obligation that would affect the performance of his obligations hereunder, any and all of which are superseded by this Agreement. The Executive will not disclose to or use on behalf of the Company any proprietary information of a third party without such party's consent.

10. Indemnification. The Company shall indemnify the Executive to the maximum extent permitted by the General Corporation Law of the State of Delaware. At the request of the Executive, and subject to the approval of the Board (excluding the Executive), the Company shall enter into an indemnification agreement with the Executive on terms at least as favorable in each respect to the Executive as the terms of any other indemnification agreement between the Company and any other director or officer of the Company. The Executive agrees to promptly notify the Company of any actual or threatened claim arising out of or as a result of his employment or other service with the Company or any of its affiliates (or the termination thereof).

11. Withholding. All payments made by the Company under this Agreement shall be reduced by any tax or other amounts required to be withheld by the Company under applicable law.

12. Assignment. Neither the Company nor the Executive may make any assignment of this Agreement or any interest herein, by operation of law or otherwise, without the prior written consent of the other; provided, however, that the Company may assign its rights and obligations under this Agreement without the consent of the Executive in the event that the Company shall hereafter effect a reorganization, consolidate with, or merge into, any person or entity, transfer a

substantial majority of its properties or assets to any person or entity, or engage in a similar transaction with any person or entity. This Agreement shall inure to the benefit of and be binding upon the Company and the Executive, and their respective successors, executors, administrators, heirs and permitted assigns.

13. Severability. If any portion or provision of this Agreement shall to any extent be declared illegal or unenforceable by a court of competent jurisdiction, then the remainder of this Agreement, or the application of such portion or provision in circumstances other than those as to which it is so declared illegal or unenforceable, shall not be affected thereby, and each portion and provision of this Agreement shall be valid and enforceable to the fullest extent permitted by law.

14. Amendment and Waiver. This Agreement may be amended or modified only by a written instrument signed by the Executive and the Company. No waiver of any provision hereof shall be effective unless made in writing and signed by the waiving party. The failure of either party to require the performance of any term or obligation of this Agreement, or the waiver by either party of any breach of this Agreement, shall not prevent any subsequent enforcement of such term or obligation or be deemed a waiver of any subsequent breach. No waiver by either of the parties of any breach by the other party hereto of any condition or provision of this Agreement to be performed by the other party hereto shall be deemed a waiver of any similar or dissimilar provision or condition at the same or any prior or subsequent time.

15. Notices. Any and all notices, requests, demands and other communications provided for by this Agreement shall be in writing and shall be effective when delivered in person or deposited in the United States mail, postage prepaid, registered or certified, and addressed:

(a) if to the Executive, at his last known address on the books of the Company, with a copy to Feinberg Hanson LLP, 855 Boylston Street, Boston, Massachusetts 02116, attention: David H. Feinberg; and

(b) if to the Company, at its principal place of business, attention, Secretary, with a copy to Foley Hoag LLP, Seaport West, 155 Seaport Boulevard, Boston, Massachusetts 02210, attention: Erica Rice; or

(c) to such other address as either party may specify by notice to the other actually received.

16. Entire Agreement. This Agreement constitutes the entire agreement between the parties with respect to the subject matter hereof and supersedes all prior communications, agreements and understandings, written or oral, with respect to the terms and conditions of the Executive's employment and the subject matter hereof.

17. Headings. The headings and captions in this Agreement are for convenience only and in no way define or describe the scope or content of any provision of this Agreement.

18. Counterparts. This Agreement may be executed in two or more counterparts, each of which shall be an original and all of which together shall constitute one and the same instrument. Delivery of an executed counterpart of this Agreement, by electronic mail in portable document format (.pdf) or by any other electronic means intended to preserve the original graphic and pictorial appearance of a document, has the same effect as delivery of an executed original of this Agreement.

19. Governing Law; Venue; WAIVER OF JURY TRIAL. This Agreement, the rights of the parties and all claims, actions, causes of action, suits, litigation, controversies, hearings, charges, complaints or proceedings arising in whole or in part under or in connection herewith, will be governed by and construed in accordance with the domestic substantive laws of the State of New York, without giving effect to any choice or conflict of law provision or rule that would cause the application of the laws of any other jurisdiction. Both the Executive and the Company agree to appear before and submit exclusively to the jurisdiction of the United States District Court for the Southern District of New York with respect to any controversy, dispute, or claim arising out of or relating to this Agreement or the Executive's employment or service with the Company or any of its affiliates (or the termination thereof), or if such controversy, dispute or claim may not be brought in federal court, to the state courts located in New York, New York and, in each case, the applicable courts of appeals of such court. Both the Executive and the Company also agree to waive, to the fullest possible extent, the defense of an inconvenient forum or lack of jurisdiction. The Executive further consents to service of process in the State of New York. **THE COMPANY AND THE EXECUTIVE HEREBY WAIVE, TO THE EXTENT PERMITTED BY APPLICABLE LAW, TRIAL BY JURY IN ANY LITIGATION IN ANY COURT WITH RESPECT TO, IN CONNECTION WITH, OR ARISING OUT OF THIS AGREEMENT OR THE EXECUTIVE'S EMPLOYMENT OR SERVICE WITH THE COMPANY OR ANY OF ITS AFFILIATES (OR THE TERMINATION THEREOF), OR THE VALIDITY, PROTECTION, INTERPRETATION, COLLECTION OR ENFORCEMENT OF THIS AGREEMENT (WHETHER ARISING IN CONTRACT, EQUITY, TORT OR OTHERWISE).**

20. Code Section 409A Compliance. This Agreement is intended to comply with Code Section 409A (to the extent applicable) and the parties hereto agree to interpret this Agreement in the least restrictive manner necessary to comply therewith and without resulting in any increase in the amounts owed hereunder by the Company. To the maximum extent possible, any severance owed under this Agreement shall be construed to fit within the "short-term deferral rule" under Code Section 409A and/or the "two times two year" involuntary separation pay exception under Code Section 409A. Notwithstanding any other provision of this Agreement to the contrary, if the Executive is a "specified employee" within the meaning of Code Section 409A and the regulations issued thereunder, and a payment or benefit provided for in this Agreement would be subject to additional tax under Code Section 409A if such payment or benefit is paid within six (6) months after the Executive's "separation from service" (within the meaning of Code Section 409A), then such payment or benefit required under this Agreement (i) shall not be paid (or commence) during the six-month period immediately following the Executive's separation from service and (ii) shall instead be paid to the Executive in a lump-sum cash payment on the earlier of (A) the first regular payroll date of the seventh month following

the Executive's separation from service or (B) the 10th business day following the Executive's death (but not earlier than such payment would have been made absent such death). If the Executive's termination of employment hereunder does not constitute a "separation from service" within the meaning of Code Section 409A, then any amounts payable hereunder on account of a termination of the Executive's employment and which are subject to Code Section 409A shall not be paid until the Executive has experienced a "separation from service" within the meaning of Code Section 409A. In addition, no reimbursement or in-kind benefit shall be subject to liquidation or exchange for another benefit and the amount available for reimbursement, or in-kind benefits provided, during any calendar year shall not affect the amount available for reimbursement, or in-kind benefits to be provided, in a subsequent calendar year. Any reimbursement to which the Executive is entitled hereunder shall be made no later than the last day of the calendar year following the calendar year in which such expenses were incurred. Notwithstanding anything herein to the contrary, neither the Company nor any of its affiliates shall have any liability to the Executive or to any other person or entity if this Agreement is, or if the payments and benefits provided in this Agreement that are intended to be exempt from or compliant with Code Section 409A are, not so exempt or compliant. Each payment payable hereunder shall be treated as a separate payment in a series of payments within the meaning of, and for purposes of, Code Section 409A.

[Remainder of page intentionally left blank]

IN WITNESS WHEREOF, this Agreement has been executed as a sealed instrument by the Company, by its duly authorized representative, and by the Executive, as of the date first above written.

THE EXECUTIVE	ASCEND WELLNESS HOLDINGS, LLC
/s/ Daniel Neville	By: /s/ Abner Kurtin
Daniel Neville	Print Name and Title: Abner Kurtin Founder and CEO

Certain identified information has been omitted from this exhibit because it is not material and would likely cause competitive harm to the registrant if publicly disclosed. [***] indicates that information has been omitted.

Exhibit A

[***]

Certain identified information has been omitted from this exhibit because it is not material and would likely cause competitive harm to the registrant if publicly disclosed. [***] indicates that information has been omitted.

Exhibit 23.1

INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM'S CONSENT

We consent to the inclusion in this Registration Statement of Ascend Wellness Holdings, LLC on Form S-1 of our report dated February 25, 2021, with respect to our audits of the consolidated financial statements of Ascend Wellness Holdings, LLC as of December 31, 2020 and 2019 and for the years ended December 31, 2020 and 2019, which report appears in the Prospectus, which is part of this Registration Statement. We also consent to the reference to our Firm under the heading “Experts” in such Prospectus.

/s/ Marcum LLP

Marcum LLP
New York, NY
March 26, 2021

Exhibit 23.3

HBK CPAs & Consultants

March 26, 2021

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

The Board of Directors
Chicago Alternative Health Center, LLC and Affiliates:

We, Hill, Barth & King LLC, hereby consent to the use of our report dated March 24, 2021, on the financial statements of Chicago Alternative Health Center, LLC and Affiliates, which comprise balance sheets as of December 31, 2020 and 2019, the related statements of operations, changes in members' equity, and cash flows for each of the years ended December 31, 2020 and 2019, and the related notes, with the Registration Statement on Form S-1 of Ascend Wellness Holdings, LLC being filed with the United States Securities and Exchange Commission. We also consent to the reference to our firm under the heading "Experts" in such registration statement.

Hill, Barth & King LLC

Certified Public Accountants

HILL, BARTH & KING LLC | 3838 TAMIAMI TRAIL NORTH, SUITE 200 NAPLES, FLORIDA 34103 | TEL 239-263-211 FAX 239-263-0496 | HBKCPA.COM

March 26, 2021

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

The Board of Directors
MOCA, LLC:

We, Hill, Barth & King LLC, hereby consent to the use of our report dated March 24, 2021, on the financial statements of MOCA, LLC, which comprise balance sheets as of December 31, 2020 and 2019, the related statements of operations, changes in members' equity, and cash flows for each of the years ended December 31, 2020 and 2019, and the related notes, with the Registration Statement on Form S-1 of Ascend Wellness Holdings, LLC being filed with the United States Securities and Exchange Commission. We also consent to the reference to our firm under the heading "Experts" in such registration statement.

Hill, Barth & King LLC

Certified Public Accountants

HILL, BARTH & KING LLC | 3838 TAMIAMI TRAIL NORTH, SUITE 200 NAPLES, FLORIDA 34103 | TEL 239-263-211 FAX 239-263-0496 | HBKCPA.COM

Exhibit 23.4

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We hereby consent to the filing of our auditor's report dated March 26, 2021, with respect to the financial statements of MedMen NY, Inc as at December 31, 2020 and December 31, 2019 and for each of the years then ended with the Registration Statement on Form S-1 of Ascend Wellness Holdings, LLC being filed with the United States Securities and Exchange Commission. We also consent to the reference to us under the heading "Experts" in such registration statement.

/s/ MNP LLP

Chartered Professional Accountants
March 26, 2021
Calgary, Canada

MOCA, LLC
FINANCIAL STATEMENTS
DECEMBER 31, 2020 AND 2019

March 24, 2021

To the Board of Managers
MOCA, LLC
Chicago, Illinois

Independent Auditor's Report

Report on the Audit of the Financial Statements

We have audited the accompanying financial statements of MOCA, LLC (the Company) (an Illinois corporation), which comprise the balance sheets as of December 31, 2020 and 2019, and the related statements of income, changes in members' equity, and cash flows for the years then ended, and the related notes to the financial statements.

We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United States of America, together with the International Ethics Standards Board for Accountants' *Code of Ethics for Professional Accountants*, and we have fulfilled our other ethical responsibilities in accordance with those requirements, respectively.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, management is responsible for evaluating whether there are conditions and events, considered in the aggregate, that raise substantial doubt about the entity's ability to continue as a going concern within one year after the date that the financial statements are available to be issued, and for disclosing, as applicable, matters related to this evaluation unless the liquidation basis of accounting is being used by the entity.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and in accordance with International Standards on Auditing. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement, whether due to fraud or error. Reasonable assurance is a high level of assurance, but it is not a guarantee that an audit will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. We design audit procedures responsive to those risks and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error because fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.

Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation, structure, and content of the financial statements, including disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

As part of an audit, we exercise professional judgment and maintain professional skepticism throughout the audit. We also conclude on the appropriateness of management's use of the going concern basis of accounting, and based on the audit evidence obtained, whether substantial doubt exists related to the Company's ability to continue as a going concern. If we conclude that substantial doubt exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies or material weaknesses in internal control that we identify during our audit.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of MOCA, LLC as of December 31, 2020 and 2019, and the results of its operations and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter – Cannabis Laws

As discussed in Note 8 to the financial statements, the Company operates in the cannabis industry which is legal in the state of Illinois but illegal under United States federal law. Our opinion is not modified with respect to this matter.

/s/ Hill, Barth & King LLC

Certified Public Accountants

MOCA, LLC
Balance Sheets
December 31, 2020 and 2019

	2020	2019
Assets		
Current Assets:		
Cash	$ 2,470,457	$ 415,950
Accounts receivable	276,510	–
Inventories	1,254,904	153,327
Prepaid expenses and other current assets	35,213	333,138
Total Current Assets	4,037,084	902,415
Property and equipment, net	725,411	373,845
Deposits and other assets	83,000	28,000
TOTAL ASSETS	$ 4,845,495	$ 1,304,260
LIABILITIES AND MEMBERS' EQUITY		
LIABILITIES		
Current Liabilities:		
Accounts payable and accrued expenses	$ 727,312	$ 57,500
Income taxes payable	1,356,053	–
Total Current Liabilities	2,083,365	57,500
Long-Term Liabilities:		
Deferred rent	502,680	76,843
TOTAL LIABILITIES	2,586,045	134,343
MEMBERS EQUITY	2,259,450	1,169,917
TOTAL LIABILITIES AND MEMBERS' EQUITY	$ 4,845,495	$ 1,304,260

The accompanying notes are an integral part of these financial statements

MOCA, LLC
Statements of Income
For the Years Ended December 31, 2020 and 2019

	2020	2019
Revenues, Net of Discounts	$ 21,626,283	$ 7,863,660
Costs of Goods Sold	11,288,403	4,119,717
Gross Profit	10,337,880	3,743,943
Operating Expenses:		
Selling, General and Administrative Expenses	6,095,294	1,460,926
Income from Operations Before Income Taxes	4,242,586	2,283,017
Provision for Income Taxes	3,153,053	1,052,227
Net Income	$ 1,089,533	$ 1,230,790

The accompanying notes are an integral part of these financial statements

MOCA, LLC
Statements of Changes in Members' Equity
For the Years Ended December 31, 2020 and 2019

Balance, January 1, 2019	$	695,983
Net Income		1,230,790
Distributions To Members		(756,856)
Balance, December 31, 2019	$	1,169,917
Net Income		1,089,533
Members Contributions		10,000,000
Distributions to Members		(10,000,000)
Balance, December 31, 2020	$	2,259,450

The accompanying notes are an integral part of these financial statements

MOCA, LLC

Statements of Cash Flows
For the Years Ended December 31, 2020 and 2019

	2020	2019
Cash Flows From Operation Activities		
Net income	$ 1,089,533	$ 1,230,790
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation	175,787	56,435
Changes in assets and liabilities:		
Accounts receivable	(276,510)	–
Inventories	(1,101,577)	(16,657)
Prepaid expenses and other current assets	297,925	(305,870)
Deposits and other assets	(55,000)	50,000
Accounts payable and accrued expenses	669,812	(90,925)
Income taxes payable	1,356,053	–
Deferred rent	425,837	6,079
NET CASH PROVIDED BY OPERATING ACTIVITIES	2,581,860	929,852
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of property and equipment	(527,353)	(15,090)
NET CASH USED IN INVESTING ACTIVITIES	(527,353)	(15,090)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Members' contributions	10,000,000	–
Distributions to members	(10,000,000)	(756,856)
NET CASH USED IN FINANCING ACTIVITIES	–	(756,856)
NET INCREASE IN CASH	2,054,407	157,906
CASH, BEGINNING OF YEAR	415,950	258,044
CASH, END OF YEAR	$ 2,470,457	$ 415,950
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION		
Cash paid for taxes	$ 1,797,000	$ 1,114,302

The accompanying notes are an integral part of these financial statements

1. NATURE OF OPERATIONS

(a) Business Description

MOCA, LLC (the "Company") owns and operates two dispensaries in Chicago, Illinois. The Logan Square location opened in 2016 and sells both medical and recreational cannabis. The River North location, which opened in 2020, sells recreational cannabis.

On August 1, 2020, the Company entered into an agreement with Ascend Illinois, LLC to sell its membership units for total consideration of approximately $22,311,000 consisting of $21,173,806 in cash, including working capital adjustments, and 8,125 common units of Ascend Wellness Holdings, LLC.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of Accounting

The accompanying financial statements have been prepared in accordance with U.S. generally accepted accounting principles ("GAAP") and reflect the accounts and operations of the Company.

(b) Revenue

Revenue is recognized at the point of sale, at which time title and risk of loss pass to the customers. The Company has customer loyalty programs in which retail customers accumulate points for each dollar of spending. These points are recorded as a contract liability until customers redeem their points for discounts on cannabis and vape products as part of an in-store sales transaction.

(c) Cash

Cash include cash deposits in financial institutions and other deposits that are readily convertible to cash. The Company considers all highly liquid instruments purchased with an original maturity of three months or less to be cash equivalents. At times cash may be in excess of Federal Deposit Insurance Corporation (FDIC) limits.

(d) Accounts Receivables

Accounts receivable represents payments owed from third party payments processors. Account balances are charged off against the allowance when the Company believes it is probable the receivable will not be recovered. As of December 31, 2020 and 2019, the Company did not have an allowance for doubtful accounts.

(e) Inventories

Inventories consist of cannabis and non-cannabis products that are valued at cost and subsequently at the lower of cost and net realizable value. Net realizable value is determined as the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale. Cost is determined using the weighted average cost basis. The Company reviews its inventories for obsolete, redundant and slow-moving goods and any such inventories are written down to net realizable value. There were no reserves for obsolete inventories as of December 31, 2020 and 2019.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

(f) Property and Equipment

Property and equipment is stated at cost, net of accumulated depreciation and impairment losses, if any. Expenditures that materially increase the life of the assets are capitalized. Ordinary repairs and maintenance are expensed as incurred. Depreciation is calculated on a straight-line basis over the estimated useful life of the asset using the following terms and methods:

Furniture and Fixtures	7 Years
Equipment	5-7 Years
Leasehold Improvements	Remaining Life of Lease of Useful Life

The assets' residual values, useful lives and methods of depreciation are reviewed at each financial statement year-end and adjusted prospectively, if appropriate. An item of equipment is derecognized upon disposal or when no future economic benefits are expected from its use. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying value of the asset) is included in operations in the year the asset is derecognized.

(g) Impairment of Long-Lived Assets

The Company accounts for its long-lived assets such as property and equipment and intangible assets in accordance with FASB ASC Topic No. 360, "Accounting for the Impairment or Disposal of Long-lived Assets" ("ASC 360").

Management reviews long-lived assets for impairment whenever changes in events or circumstances indicate the assets may be impaired, but no less frequently than annually. Pursuant to ASC 360, an impairment loss is to be recorded when the net book value of an asset exceeds the undiscounted cash flows expected to be generated from the use of the asset. If an asset is determined to be impaired, the asset is written down to its realizable value, and the loss is recognized in the statement of income in the period when the determination is made. No impairment charges for long-lived assets have been recorded for the years ended December 31, 2020 and 2019.

(h) Leased Assets

A lease of property and equipment is classified as a capital lease if it transfers substantially all the risks and awards incidental to ownership to the Company. A lease of property and equipment is classified as an operating lease whenever the terms of the lease do not transfer substantially all of the risks and rewards of ownership to the lessee. Lease payments are recognized as an expense on a straight-line basis over the lease term, except where another systematic basis is more representative of the time pattern in which the economic benefits are consumed.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

(i) Income Taxes

Income tax expense consisting of current and deferred tax expense is recognized in the Statements of Income based on the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at year end.

Deferred tax assets and liabilities and the related deferred income tax expense or recovery, if any, are recognized for deferred tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases. Deferred tax assets and liabilities are measured using the enacted or substantively enacted tax rates expected to apply when the asset is realized, or the liability settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the period that substantive enactment occurs.

The Company is subject to U.S. Internal Revenue Code Section 280E. The section disallows deductions and credits attributable to a trade or business of trafficking in controlled substances. Under U.S. law marijuana is a Schedule I controlled substance. The Company has taken the position that any costs included in the cost of goods sold should not be treated as amounts subject to the Section 280E expense disallowance.

There are no positions for which it is reasonably possible that the uncertain tax benefit will significantly increase or decrease within twelve months. The Company files income tax returns in the United States and Illinois. The federal statute of limitation remains open for the 2017 tax year to the present. The state income tax returns generally remain open for the 2017 tax year through the present.

(j) Fair Value of Financial Instruments

The Company applies fair value accounting for all financial assets and liabilities and non-financial assets and liabilities that are recognized or disclosed at fair value in the financial statements on a recurring basis. The Company defines fair value as the price that would be received from selling an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. When determining the fair value measurements for assets and liabilities that are required to be recorded at fair value, the Company considers the principal or most advantageous market in which the Company would transact and the market-based risk measurements or assumptions that market participants would use in pricing the asset or liability, such as risks inherent in valuation techniques, transfer restrictions and credit risk. Fair value is estimated by applying the following hierarchy, which prioritizes the inputs used to measure fair value into three levels and bases the categorization within the hierarchy upon the lowest level of input that is available and significant to the fair value measurement:

Level 1 – Quoted prices in active markets for identical assets or liabilities.

Level 2 – Observable inputs other than quoted prices in active markets for identical assets and liabilities, quoted prices for identical or similar assets or liabilities in inactive markets, or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities.

Level 3 – Inputs that are generally unobservable and typically reflect management’s estimate of assumptions that market participants would use in pricing the asset or liability.

There were no transfers between levels during the years ended December 31, 2020 and 2019.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

(k) Significant Accounting Judgments, Estimates, and Assumptions

The preparation of the Company's financial statements requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, and revenue and expenses. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

Significant estimates inherent in the preparation of the Company's financial statements include the assumptions related to the estimated useful lives for property and equipment.

The novel coronavirus commonly referred to as "COVID-19" was identified in December 2019 in Wuhan, China. On January 30, 2020, the World Health Organization declared the outbreak a global health emergency, and on March 11, 2020, the spread of COVID-19 was declared a pandemic by the World Health Organization. On March 13, 2020, the spread of COVID-19 was declared a national emergency by President Donald Trump. The outbreak has spread throughout Europe, the Middle East and North America, causing companies and various international jurisdictions to impose restrictions such as quarantines, business closures and travel restrictions.

While these effects are expected to be temporary, the duration of the business disruptions and related financial impact cannot reasonably be estimated at this time. In addition, it is possible that estimates in the Company's financial statements will change in the near term as a result of COVID-19 and the effect of any such changes could be material, which could result in, among other things, impairment of long-lived assets including intangibles and goodwill. The Company is closely monitoring the impact of the pandemic on all aspects of its business.

(l) Recent Accounting Pronouncements

(i) The FASB issued ASU 2014-09, Revenue from Contracts with Customers, (Topic 606) (ASU 2014-09), in May 2014. ASU 2014-09 sets forth a new five-step revenue recognition model that will require the use of more estimates and judgment. ASU 2014-09 will replace current revenue recognition requirements in Topic 605, Revenue Recognition, in its entirety. The standard also requires more detailed disclosures and provides additional guidance for transactions that were not addressed completely in prior accounting guidance. ASU 2014-09 is effective for annual financial statements of private companies issued for fiscal years beginning after December 15, 2019, and should be applied retrospectively in the year the ASU is first applied using one of two allowable application methods. The Company has adopted this ASU as of January 1, 2019. The impact of the new standard on the financial statements was not significant.

(ii) In February 2016, the FASB issued ASU 2016-02, Leases (Topic 842) ("ASC 842"), which will replace ASC 840, "Leases". This standard introduces a single lessee accounting model and requires a lessee to recognize assets and liabilities for all leases with a term of more than twelve months unless the underlying asset is of low value. A lessee is required to recognize a right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. For private companies, the standard will be effective for annual periods beginning on or after December 15 2021, with earlier application permitted. The standard requires a modified retrospective approach for leases that exist or are entered into after

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

(l) Recent Accounting Pronouncements *(Continued)*

the beginning of the earliest comparative period in the financial statements. The Company is currently evaluating the effect of adopting this ASU on the Company's financial statements.

(iii) In June 2016, the FASB issued ASC 2016-13, Financial Instruments – Credit Losses (Topic 326), Measurement of Credit Losses on Financial Instruments. ASU 2016-13 requires entities to measure all expected credit losses for most financial assets held at the reporting date based on an expected loss model which includes historical experience, current conditions, and reasonable and supportable forecasts. Companies will now use forward-looking information to better form their credit loss estimates. ASU 2016-13 also requires enhanced disclosures to help financial statement users better understand significant estimates and judgements used in estimating credit losses, as well as the credit quality and underwriting standards of a company's portfolio. For private companies, ASU 2016-13 is effective for annual periods beginning after December 15, 2022. The Company does not believe that the impact of the new standard on its financial statements will be material.

(iv) In December 2019, the FASB issued ASU 2019-12, Income Taxes (Topic 740) - Simplifying the Accounting for Income Taxes, which is intended to simplify various aspects related to accounting for income taxes. ASU 2019-12 removes certain exceptions to the general principles in Topic 740 and also clarifies and amends existing guidance to improve consistent application. For private companies, ASU 2019-12 is effective for annual periods beginning and after December 15, 2021. The Company is currently evaluating the effect of adopting this ASU on the Company's financial statements.

(v) In October 2018, the FASB issued ASU 2018-17, Targeted improvements to related party guidance for variable interest entities which amended the Consolidation topic (Topic 810) of the Accounting Standards Codification. Under the amended guidance, a nonpublic entity has the option to exempt itself from applying the variable interest entity (VIE) consolidation model to qualifying common control arrangements. The amendments are effective for annual periods beginning after December 15, 2020, and interim periods within annual periods beginning after December 15, 2021, with early adoption permitted. The Company adopted the amended guidance and elected to exempt itself from applying the VIE consolidation model to qualifying common control arrangements in 2019.

3. INVENTORIES

The Company's inventories include the following at December 31, 2020 and 2019:

	2020	2019
Canabis	$ 1,225,083	$ 147,760
Non-Canabis	29,821	5,567
Total Inventories	$ 1,254,904	$ 153,327

4. PROPERTY AND EQUIPMENT

At December 31, 2020 and 2019, property and equipment consisted of:

	2020	2019
Furniture and Fixtures	$ 10,899	$ 10,899
Equipment	380,787	108,406
Leasehold Improvements	730,032	475,060
Total Property and Equipment, Gross	1,121,718	594,365
Less: Accumulated Depreciation	(396,307)	(220,520)
Property and Equipment, Net	$ 725,411	$ 373,845

5. MEMBERS' EQUITY

Effective February 1, 2019, MOCA, LLC elected to be treated as a C Corporation for federal income tax purposes. Members' equity is comprised of one class of units, as described in the Company's applicable operating agreement.

6. INCOME TAXES

Provision for income taxes consists of the following for the years ended December 31, 2020 and 2019:

	2020	2019
Current Taxes		
Federal	$ 2,170,954	$ 743,794
State	982,099	308,433
Total income tax expense	$ 3,153,053	$ 1,052,222

Effective February 1, 2019, the Company elected to be treated as a C Corporation for Federal income tax purposes.

As the Company operates in the cannabis industry, it is subject to the limitations of IRC Section 280E under which the Company is only allowed to deduct expenses directly related to sales of product. This results in permanent differences between ordinary and necessary business expenses deemed non-allowable under IRC Section 280E. Therefore, the effective tax rate can be highly variable and may not necessarily correlate with pre-tax income or loss. The Company has not identified any uncertain tax positions as of December 31, 2020.

7. LEASE COMMITMENTS

The Company leases certain business facilities from third parties under operating lease agreements that specify minimum rentals. The leases expire through 2029 and contain renewal provisions. Additionally, certain leases provide for rent abatement and escalating payments, and rent expense is calculated on straight-line basis over the terms of the leases with the incentives reported as deferred rent. The Company's net rent expense for the years ended December 31, 2020 and 2019 was $1,043,722 and $113,912, respectively.

Future minimum lease payments under non-cancelable operating leases having an initial or remaining term of more than one year are as follows:

Year Ending December 31,	Total
2021	$ 817,995
2022	835,078
2023	852,522
2024	870,333
2025	767,914
2026 and Thereafter	3,063,456
	$ 7,207,298

8. CONTINGENCIES

The Company is subject to lawsuits, investigations and other claims related to employment, commercial and other matters that arise out of operations in the normal course of business. Periodically, the Company reviews the status of each significant matter and assesses the potential financial exposure. If the potential loss from any claim or legal proceeding is considered probable, and the amount can be reliably estimated, such amount is recognized in other liabilities.

Contingent liabilities are measured at management's best estimate of the expenditure required to settle the obligation at the end of the reporting period and are discounted to present value where the effect is material. The Company performs evaluations to identify onerous contracts and, where applicable, records contingent liabilities for such contracts.

The Company engages in the marijuana business. Marijuana is currently illegal under U.S. federal law. It is a Schedule I controlled substance The Company's operations are subject to a variety of local and state regulation. Failure to comply with one or more of those regulations could result in fines, restrictions on its operations, or losses of permits that could result in the Company ceasing operations. While management of the Company believes that the Company is in compliance with applicable local and state regulation as of December 31, 2020, marijuana regulations continue to evolve and are subject to differing interpretations. As a result, the Company may be subject to regulatory fines, penalties or restrictions in the future.

As discussed above, the cultivation, sale, and use of marijuana is illegal under U.S. federal law. Therefore, there is a compelling argument that banks cannot accept deposit funds from the medical marijuana business and therefore would not be able to do business with the Company. As such, the Company may have trouble

8. CONTINGENCIES *(Continued)*

finding a bank willing to accept its business. There can be no assurance that banks in U.S. states currently or in the future will decide to do business with medical marijuana growers or retailers, or that in the absence of U.S. legislation, U.S. state and federal banking regulators will not strictly enforce current prohibitions on banks handling funds generated from an activity that is illegal under U.S. federal law. This may make it difficult for the Company to open accounts, use the service of banks, and otherwise transact business, which in turn may negatively affect the Company.

9. SUBSEQUENT EVENTS

Management has evaluated significant events or transactions that have occurred since the balance sheet date and through the date the financial statements were available to be issued. Management has determined that no events or transactions have occurred subsequent to the balance sheet date that require additional disclosure in the financial statements or notes.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

This management discussion and analysis, which we refer to as the "**MD&A**", of the financial condition and results of operations of MOCA, LLC (the "**Company**") is for the years ended December 31, 2020 and 2019. It is supplemental to, and should be read in conjunction with, the financial statements for the years ended December 31, 2020 and 2019, and the accompanying notes thereto (the "**Annual Financial Statements**"). The Annual Financial Statements were prepared in accordance with accounting principles generally accepted in the United States of America, which we refer to as "**GAAP**".

The following discussion should be read in conjunction with, and is qualified in its entirety by, the Annual Financial Statements and the accompanying notes thereto. In addition to historical information, the discussion in this section contains forward-looking statements and forward-looking information (collectively, forward-looking information") that involve risks and uncertainties. Generally, forward-looking information may be identified by the use of forward-looking terminology such as "plans," "expects," "does not expect," "proposed," "is expected," "budgets," "scheduled," "estimates," "forecasts," "intends," "anticipates," "does not anticipate," "believes," or variations of such words and phrases, or by the use of words or phrases which state that certain actions, events, or results may, could, would, or might occur or be achieved. There can be no assurance that such forward-looking information will prove to be accurate, and actual results and future events could differ materially from those anticipated in such forward-looking information. Forward-looking information is subject to known and unknown risks, uncertainties, and other factors that may cause the actual results, level of activity, performance, or achievements of the Company to be materially different from those or implied by such forward-looking information. Such risks and other factors may include, but are not limited to: general business, economic, competitive, political and social uncertainties; general capital market conditions and market prices for securities; delay or failure to receive board or regulatory approvals; the actual results of future operations; operating and development costs; competition; changes in legislation or regulations affecting the Company; the timing and availability of external financing on acceptable terms; favorable production levels and outputs; the stability of pricing of cannabis products; the level of demand for cannabis product; the availability of third-party service providers and other inputs for the Company's operations; and lack of qualified, skilled labor or loss of key individuals. Although the Company has attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking information, including those set forth under the "Risk Factors" section and elsewhere in this Prospectus, there may be other factors that cause results not to be as anticipated, estimated or intended. Readers are cautioned that the foregoing list of factors is not exhaustive. Readers are further cautioned not to place undue reliance on forward-looking information as there can be no assurance that the plans, intentions or expectations upon which they are placed will occur. Forward-looking information contained in this MD&A is expressly qualified by this cautionary statement.

Financial information presented in this MD&A is presented in thousands of United States dollars ("$"), unless otherwise indicated. We round amounts in this MD&A to the thousands and calculate all percentages and per-share data from the underlying whole-dollar amounts. Thus, certain amounts may not foot, crossfoot, or recalculate based on reported numbers due to rounding. Unless otherwise indicated, all references to years are to our fiscal year, which ends on December 31.

This MD&A was prepared by management of the Company and is dated and presented as of March 26, 2021.

Business Overview

We were founded in 2016 and operate in one U.S. geographic market. As of March 26, 2021, we employ approximately 100 people. We currently have two open and operating retail locations.

Results of Operations

Year Ended December 31, 2020 Compared to 2019

	2020	2019
Revenues, Net of Discounts	$ 21,626,283	$ 7,863,660
Cost of Goods Sold	11,288,403	4,119,717
Gross Profit	10,337,880	3,743,943
Operating Expenses:		
Selling, General and Administrative Expenses	6,095,294	1,460,926
Income from Operations Before Income Taxes	4,242,586	2,283,017
Provision for Income Taxes	3,153,053	1,052,227
Net Income	$ 1,089,533	$ 1,230,790

Revenue

Revenue for the year ended December 31, 2020 was $21,626,283, compared to $7,863,660 in 2019, primarily driven by growth in our retail business, legalization of adult use cannabis in Illinois, and the opening of our second location.

Cost of Goods Sold

Cost of goods sold for the year ended December 31, 2020 was $11,288,403, compared to $4,119,717 in 2019, driven by growth in our retail business, legalization of adult use cannabis in Illinois, and the opening of our second location. Cost of goods sold represents the direct costs for product sold.

Gross Profit

Gross profit for the year ended December 31, 2020 was $10,337,880, representing a gross margin of 48%, compared to 48% in 2019. Gross margin during 2020 reflects strong performance in our retail locations.

General and Administrative Expenses

General and administrative expenses for the year ended December 31, 2020 was $6,095,294, compared to $1,460,926 in 2019. The increase of $4,634,368 was primarily driven by an increase of $2,260,838 related to payroll, an increase of $929,810 related to rent, an increase of $115,824 related to professional services, an increase of $229,512 related to marketing expenses, and an increase of $101,415 related to insurance expenses, all due to the Company’s expansion of operations during 2020.

Compensation Expense

Compensation expense for the year ended December 31, 2020 was $3,051,289, compared to $790,451 in 2019, primarily driven by the hiring of personnel to support the expansion of operations during 2020.

Depreciation and Amortization

Depreciation and amortization for the year ended December 31, 2020 was $175,787, compared to $56,435 in 2019. The increase was attributable to amortization of the Company’s intangible assets and depreciation on capital assets during 2020.

Income Tax Expense

Income tax expense is recognized based on the expected tax payable on the taxable income for the year, using tax rates enacted at year-end. For the year ended December 31, 2020, income tax expense totaled $3,153,053.

Since the Company operates in the cannabis industry, it is subject to the limitations of Section 280E of the Code, which prohibits businesses engaged in the trafficking of Schedule I or Schedule II controlled substances from deducting normal business expenses, such as payroll and rent, from gross profit (revenue less cost of goods sold). Section 280E was originally intended to penalize criminal market operators, but because cannabis remains a Schedule I controlled substance for federal purposes, the IRS has subsequently applied Section 280E to state legal cannabis businesses. Cannabis businesses operating in states that align their tax codes with the IRC are also unable to deduct normal business expenses from their state taxes. This results in permanent differences between ordinary and necessary business expenses deemed non-deductible under IRC Section 280E. Therefore, the effective tax rate can be highly variable and may not necessarily correlate with pre-tax income or loss, primarily driven by non-deductible expense.

Liquidity and Capital Resources

Our primary source of liquidity is operating cash flows. We are generating cash from sales and deploying our capital reserves to acquire and develop assets capable of producing additional revenue and earnings over both the immediate and long term..

Financing History and Future Capital Requirements

To date, we have used private financing as a source of liquidity for short-term working capital needs and general corporate purposes. Our future ability to fund operations, to make planned capital expenditures, to acquire other entities or investments, and to repay or refinance indebtedness depends on our future operating performance, cash flows, and ability to obtain equity or debt financing, which are subject to prevailing economic conditions, as well as financial, business, and other factors, some of which are beyond our control.

As of December 31, 2020, and 2019, the Company had total current liabilities of $2,083,365 and $57,500, respectively, and cash of $2,470,457 and $415,950, respectively, to meet its current obligations. As of December 31, 2020, the Company had working capital of $1,953,719, an increase of $1,108,804 as compared to December 31, 2019, driven primarily by investments in inventory and notes receivable during 2020.

Cash Flows

	2020	2019
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net income	$ 1,089,533	$ 1,230,790
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation	175,787	56,435
Changes in assets and liabilities:		
Accounts receivable	(276,510)	—
Inventories	(1,101,577)	(16,657)
Prepaid expenses and other current assets	297,925	(305,870)
Deposits and other assets	(55,000)	50,000
Accounts payable and accrued expenses	669,812	(90,925)
Income taxes payable	1,356,053	—
Deferred rent	425,837	6,079
NET CASH PROVIDED BY OPERATING ACTIVITIES	2,581,860	929,852
CASHFLOWS FROM INVESTING ACTIVITIES:		
Purchase of property and equipment	(527,353)	(15,090)
NET CASH USED IN INVESTING ACTIVITIES	(527,353)	(15,090)
CASHFLOWS FROM FINANCING ACTIVITIES:		
Members' contributions	10,000,000	—
Distributions to members	(10,000,000)	(756,856)
NET CASH USED IN FINANCING ACTIVITIES	—	(756,856)
NET INCREASE IN CASH	2,054,507	157,906
CASH, BEGINNING OF YEAR	415,950	258,044
CASH, END OF YEAR	$ 2,470,457	$ 415,950

Operating Activities

Net cash provided by operating activities increased by $1,652,008 during 2020, as compared to 2019, primarily driven by growth in our retail business, legalization of adult use cannabis in Illinois, and the opening of our second location.

Investing Activities

Net cash used in investing activities increased by $512,263 during 2020, as compared to 2019, primarily due to our investment in property, plant and equipment.

Financing Activities

Net cash used in financing activities decreased by $756,856 during 2020, as compared to 2019, primarily due to the Company not distributing funds to members in 2020.

Contractual Obligations and Other Commitments and Contingencies

The following table summarizes the Company's future obligations with respect to operating leases:

Year Ending December 31	Total
2021	$ 817,995
2022	835,078
2023	852,522
2024	870,333
2025	767,914
2026 and Thereafter	3,063,456
	$ 7,207,298

Off-Balance Sheet Arrangements

As of the date of this MD&A, we do not have any off-balance-sheet arrangements, as defined by applicable regulations of the Securities and Exchange Commission, that have, or are reasonably likely to have, a current or future effect on the results of our operations or financial condition, including, and without limitation, such considerations as liquidity and capital resources.

Related Party Transactions

We did not identify significant related party transactions during the years ended December 31, 2020 and 2019.

Subsequent Transactions

We did not identify significant subsequent events.

Critical Accounting Policies and Estimates

The preparation of financial statements in accordance with GAAP requires our management to make certain estimates that affect the reported amounts. The Company's significant accounting policies are described in Note 2, "*Summary of Significant Accounting Policies*," in the Annual Financial Statements. The Company bases estimates on historical experience, known or expected trends, independent valuations, and various other assumptions that the Company believes to be reasonable under the circumstances. As future events and their effects cannot be determined with precision, actual results could differ significantly from these estimates. The Company believes the following critical accounting policies govern the more significant judgments and estimates used in the preparation of the Annual Financial Statements: estimated useful lives for property and equipment.

Recent Accounting Pronouncements

The following GAAP standards have been recently issued by the Financial Accounting Standards Board ("**FASB**"). We are assessing the impact of these new standards on future financial statements. Pronouncements that are not applicable to the Company or where it has been determined do not have a significant impact on us have been excluded herein.

The FASB issued ASU 2014-09, Revenue from Contracts with Customers, (Topic 606) (ASU 2014-09), in May 2014. ASU 2014-09 sets forth a new five-step revenue recognition model that will require the use of more estimates and judgment. ASU 2014-09 will replace current revenue recognition requirements in Topic 605, Revenue Recognition, in its entirety. The standard also requires more detailed disclosures and provides additional guidance

for transactions that were not addressed completely in prior accounting guidance. ASU 2014-09 is effective for annual financial statements of private companies issued for fiscal years beginning after December 15, 2019, and should be applied retrospectively in the year the ASU is first applied using one of two allowable application methods. The Company has adopted this ASU as of January 1, 2019. The impact of the new standard on the financial statements was not significant.

In February 2016, the FASB issued ASU 2016-02, Leases (Topic 842) ("ASC 842"), which will replace ASC 840, "Leases". This standard introduces a single lessee accounting model and requires a lessee to recognize assets and liabilities for all leases with a term of more than twelve months unless the underlying asset is of low value. A lessee is required to recognize a right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. For private companies, the standard will be effective for annual periods beginning on or after December 15, 2021, with earlier application permitted. The standard requires a modified retrospective approach for leases that exist or are entered into after the beginning of the earliest comparative period in the financial statements. The Company is currently evaluating the effect of adopting this ASU on the Company's financial statements.

In June 2016, the FASB issued ASC 2016-13, Financial Instruments – Credit Losses (Topic 326), Measurement of Credit Losses on Financial Instruments. ASU 2016-13 requires entities to measure all expected credit losses for most financial assets held at the reporting date based on an expected loss model which includes historical experience, current conditions, and reasonable and supportable forecasts. Companies will now use forward-looking information to better form their credit loss estimates. ASU 2016-13 also requires enhanced disclosures to help financial statement users better understand significant estimates and judgements used in estimating credit losses, as well as the credit quality and underwriting standards of a company's portfolio. For private companies, ASU 2016-13 is effective for annual periods beginning after December 15, 2022. The Company does not believe that the impact of the new standard on its financial statements will be material.

In December 2019, the FASB issued ASU 2019-12, Income Taxes (Topic 740) - Simplifying the Accounting for Income Taxes, which is intended to simplify various aspects related to accounting for income taxes. ASU 2019-12 removes certain exceptions to the general principles in Topic 740 and also clarifies and amends existing guidance to improve consistent application. For private companies, ASU 2019-12 is effective for annual periods beginning and after December 15, 2021. The Company is currently evaluating the effect of adopting this ASU on the Company's financial statements.

In October 2018, the FASB issued ASU 2018-17, Targeted improvements to related party guidance for variable interest entities which amended the Consolidation topic (Topic 810) of the Accounting Standards Codification. Under the amended guidance, a nonpublic entity has the option to exempt itself from applying the variable interest entity (VIE) consolidation model to qualifying common control arrangements. The amendments are effective for annual periods beginning after December 15, 2020, and interim periods within annual periods beginning after December 15, 2021, with early adoption permitted. The Company adopted the amended guidance and elected to exempt itself from applying the VIE consolidation model to qualifying common control arrangements in 2019.

Quantitative and Qualitative Disclosures About Market Risk

We are exposed in varying degrees to a variety of financial instrument related risks. The Company mitigates these risks by assessing, monitoring and approving our risk management processes.

Credit Risk

Credit risk is the risk of a potential loss to us if a customer or third party to a financial instrument fails to meet its contractual obligations. The maximum credit exposure at December 31, 2020 is the carrying amount of cash and cash equivalents. We do not have significant credit risk with respect to our customers. All cash and cash equivalents are placed with major U.S. financial institutions.

We provide credit to our customers in the normal course of business. We have established credit evaluation and monitoring processes to mitigate credit risk but have limited risk as the majority of our sales are transacted with cash.

Liquidity Risk

Liquidity risk is the risk that we will not be able to meet our financial obligations associated with financial liabilities. We manage liquidity risk through the effective management of our capital structure. Our approach to managing liquidity is to ensure that we will have sufficient liquidity at all times to settle obligations and liabilities when due.

Market Risk

Market risk is the risk of loss arising from adverse changes in market rates and prices, such as interest rates, raw materials, and other commodity prices. Strategic and operational risks may arise if we fail to carry out business operations and/or raise sufficient equity and/or debt financing. Strategic opportunities or threats may arise from a range of factors that might include changing economic and political circumstances and regulatory approvals and competitor actions. We seek to mitigate such risks by consideration of potential development opportunities and challenges.

Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Cash and cash equivalents bear interest at market rates. Our financial debts have fixed rates of interest and therefore expose us to a limited interest rate fair value risk.

Commodities Price Risk

Price risk is the risk of variability in fair value due to movements in equity or market prices. The primary raw materials used by us aside from those cultivated internally are labels and packaging. Management believes a hypothetical 10% change in the price of these materials would not have a significant effect on our annual results of operations or cash flows, as these costs are generally passed through to our customers. However, such an increase could have an impact on our customers' demand for our products, and we are not able to quantify the impact of such potential change in demand on our annual results of operations or cash flows.

COVID-19 Risk

We are monitoring COVID-19 closely, and although our operations have not been materially affected by the COVID-19 outbreak to date, the ultimate severity of the outbreak and its impact on the economic environment is uncertain. Our operations are ongoing as the cultivation, processing and sale of cannabis products is currently considered an essential business by the states in which we operate with respect to all customers (except for Massachusetts, where cannabis has been deemed essential only for medical patients). In all locations where regulations have been enabled by governmental authorities, we have expanded consumer delivery options and curbside pickup to help protect the health and safety of our employees and customers. The pandemic has not materially impacted our business operations or liquidity position to date. We continue to generate operating cash flows to meet our short-term liquidity needs. The uncertain nature of the spread of COVID-19 may impact our business operations for reasons including the potential quarantine of our employees or those of our supply chain partners or a change in our designation as "essential" in states where we do business that currently or in the future impose restrictions on business operations.

CHICAGO ALTERNATIVE HEALTH CENTER HOLDINGS, LLC AND AFFILIATE
COMBINED FINANCIAL STATEMENTS
DECEMBER 31, 2020 AND 2019

CHICAGO ALTERNATIVE HEALTH CENTER HOLDINGS, LLC AND AFFILIATE
INDEX TO COMBINED FINANCIAL STATEMENTS

March 24, 2021

To the Board of Directors and Members
Chicago Alternative Health Center Holdings, LLC and Affiliate
Chicago, Illinois

Independent Auditor's Report

Report on the Audit of the Combined Financial Statements

We have audited the accompanying combined financial statements of Chicago Alternative Health Center Holdings, LLC and Affiliate (the Company) (an Illinois corporation), which comprise the combined balance sheets as of December 31, 2020 and 2019, and the related combined statements of income, changes in members' equity, and cash flows for the year then ended, and the related notes to the combined financial statements.

We are independent of the Company in accordance with the ethical requirements that are relevant to our audits of the combined financial statements in the United States of America, together with the International Ethics Standards Board for Accountants' *Code of Ethics for Professional Accountants*, and we have fulfilled our other ethical responsibilities in accordance with those requirements, respectively.

Responsibilities of Management and Those Charged with Governance for the Combined Financial Statements

Management is responsible for the preparation and fair presentation of these combined financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of combined financial statements that are free from material misstatement, whether due to fraud or error. In preparing the combined financial statements, management is responsible for evaluating whether there are conditions and events, considered in the aggregate, that raise substantial doubt about the entity's ability to continue as a going concern within one year after the date that the combined financial statements are available to be issued, and for disclosing, as applicable, matters related to this evaluation unless the liquidation basis of accounting is being used by the entity.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibility

Our responsibility is to express an opinion on these combined financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and in accordance with International Standards on Auditing. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the combined financial statements are free from material misstatement, whether due to fraud or error. Reasonable assurance is a high level of assurance, but it is not a guarantee that an audit will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these combined financial statements.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the combined financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the combined financial statements, whether due to fraud or error. We design audit procedures responsive to those risks and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error because fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the combined financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.

Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation, structure, and content of the combined financial statements, including disclosures, and whether the combined financial statements represent the underlying transactions and events in a manner that achieves fair presentation. We will also obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the combined financial statements. We are responsible for the direction, supervision, and performance of the group audit. We remain solely responsible for our audit opinion.

As part of an audit, we exercise professional judgment and maintain professional skepticism throughout the audit. We also conclude on the appropriateness of management's use of the going concern basis of accounting, and based on the audit evidence obtained, whether substantial doubt exists related to the Company's ability to continue as a going concern. If we conclude that substantial doubt exists, we are required to draw attention in our auditor's report to the related disclosures in the combined financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies or material weaknesses in internal control that we identify during our audit.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the combined financial statements referred to above present fairly, in all material respects, the financial position of the Company as of December 31, 2020 and 2019, and the results of their operations and their cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter – Cannabis Laws

As discussed in Note 8 to the combined financial statements, the Company operates in the cannabis industry which is legal in the state of Illinois but illegal under the United States federal law. Our opinion is not modified with respect to this matter.

/s/ Hill, Barth & King LLC

Certified Public Accountants

CHICAGO ALTERNATIVE HEALTH CENTER HOLDINGS, LLC AND AFFILIATE
Combined Balance Sheets
December 31, 2020 and 2019

	2020	2019
ASSETS		
Current Assets:		
Cash	$ 376,226	$ 235,543
Inventories	447,774	225,647
Prepaid expenses and other assets	29,748	5,702
Total Current Assets	853,748	466,892
Property and equipment, net	1,925,771	1,439,656
Other assets	50,000	50,000
TOTAL ASSETS	$ 2,829,519	$ 1,956,548
LIABILITIES AND MEMBERS' EQUITY		
LIABILITIES		
Current Liabilities:		
Accounts payable and accrued expenses	$ 358,900	$ 75,805
Notes payable - members	—	1,580,787
Total Current Liabilities	358,900	1,656,592
TOTAL LIABILITIES	358,900	1,656,592
MEMBERS' EQUITY	2,470,619	299,956
TOTAL LIABILITIES AND MEMBERS' EQUITY	$ 2,829,519	$ 1,956,548

The accompanying notes are an integral part of these combined financial statements

CHICAGO ALTERNATIVE HEALTH CENTER HOLDINGS, LLC AND AFFILIATE
Combined Statements of Income
For the Years Ended December 31, 2020 and 2019

	2020	2019
Revenues, Net of Discounts	$ 11,163,773	$ 4,062,438
Cost of Goods Sold	7,380,092	2,478,293
Gross Profit	3,783,681	1,584,145
Operating Expenses:		
Selling, General and Administrative Expenses	961,905	1,006,830
Income from Operations Before Taxes	2,821,776	577,315
Provision for Income Taxes	81,379	—
Net Income	$ 2,740,397	$ 577,315

The accompanying notes are an integral part of these combined financial statements

CHICAGO ALTERNATIVE HEALTH CENTER HOLDINGS, LLC AND AFFILIATE
Combined Statements of Changes in Members' Equity
For the Years Ended December 31, 2020 and 2019

Balance, January 1, 2019	$	(57,195)
Net Income		577,315
Distributions to Members		(220,164)
Balance, December 31, 2019		299,956
Net Income		2,740,397
Contributions from Members		600,000
Distributions to Members		(1,169,734)
Balance, December 31, 2020	$	2,470,619

The accompanying notes are an integral part of these combined financial statements

CHICAGO ALTERNATIVE HEALTH CENTER HOLDINGS, LLC AND AFFILIATE
Combined Statements of Cash Flows
For the Years Ended December 31, 2020 and 2019

	2020	2019
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net income	$ 2,740,397	$ 577,315
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation	48,726	30,264
Changes in assets and liabilities:		
Inventories	(222,127)	(185,098)
Prepaid expenses and other assets	(24,046)	(5,702)
Accounts payable and accrued expenses	283,095	(202,684)
NET CASH PROVIDED BY OPERATING ACTIVITIES	2,826,045	214,095
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of property and equipment	(534,841)	(338,999)
NET CASH USED IN INVESTING ACTIVITIES	(534,841)	(338,999)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds from issuance of notes payable - members	1,100,000	656,006
Repayments of notes payable - members	(2,680,787)	(180,000)
Member contributions	600,000	—
Member distributions	(1,169,734)	(220,164)
NET CASH (USED IN) PROVIDED BY FINANCING ACTIVITIES	(2,150,521)	255,842
NET INCREASE IN CASH	140,683	130,938
CASH, BEGINNING OF YEAR	235,543	104,605
CASH, END OF YEAR	$ 376,226	$ 235,543

The accompanying notes are an integral part of these combined financial statements

1. NATURE OF OPERATIONS

(a) Business Description

Chicago Alternative Health Center, LLC owns and operates a dispensary in Chicago, Illinois that sells both medical and recreational cannabis. Chicago Alternative Health Center Holdings, LLC is a real estate holding company. Chicago Alternative Health Center, LLC and Chicago Alternative Health Center Holdings, LLC are referred to collectively as the "Company."

On December 15, 2020, the Company entered into an agreement with Ascend Illinois, LLC to sell its membership units for consideration of approximately $28,000,000.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of Accounting

The accompanying combined financial statements have been prepared in accordance with U.S. generally accepted accounting principles ("GAAP") and reflect the accounts and operations of the Company.

(b) Basis of Combination

Affiliates are entities controlled by the Company. Control exists when the Company has the power, directly and indirectly, to govern the financial and operating policies of an entity and be exposed to the variable returns from its activities. The financial statements of affiliates are included in the combined financial statements from the date that control commences until the date that control ceases.

The combined financial statements include the accounts of Chicago Alternative Health Center Holdings, LLC and Chicago Alternative Health Center, LLC. These companies are controlled by common owners and management.

(c) Revenue

Revenue is recognized at the point of sale, at which time title and risk of loss pass to the customers. The Company has customer loyalty programs in which retail customers accumulate points for each dollar of spending. These points are recorded as a contract liability until customers redeem their points for discounts on cannabis and vape products as part of an in-store sales transaction.

(d) Cash

Cash includes cash deposits in financial institutions and other deposits that are readily convertible to cash. The Company considers all highly liquid instruments purchased with an original maturity of three months or less to be cash equivalents. At times cash may be in excess of Federal Deposit Insurance Corporation (FDIC) limits.

(e) Inventories

Inventories consist of cannabis and non-cannabis products that are valued at cost and subsequently at the lower of cost and net realizable value. Net realizable value is determined as the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale. Cost is determined using the weighted average cost basis. The Company reviews its inventories for obsolete, redundant and slow-moving goods and any such inventories are written down to net realizable value. There were no reserves for obsolete inventories as of December 31, 2020 and 2019.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

(f) Property and Equipment

Property and equipment is stated at cost, net of accumulated depreciation and impairment losses, if any. Expenditures that materially increase the life of the assets are capitalized. Ordinary repairs and maintenance are expensed as incurred. Depreciation is calculated on a straight-line basis over the estimated useful life of the asset using the following terms and methods:

Furniture and Fixtures	7 Years
Equipment	5 – 7 Years
Leasehold Improvements	Remaining Life of Lease or Useful Life

The assets' residual values, useful lives and methods of depreciation are reviewed at each financial statement year-end and adjusted prospectively, if appropriate. An item of equipment is derecognized upon disposal or when no future economic benefits are expected from its use. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying value of the asset) is included in operations in the year the asset is derecognized.

(g) Impairment of Long-Lived Assets

The Company accounts for its long-lived assets such as property and equipment and intangible assets in accordance with FASB ASC Topic No. 360, "Accounting for the Impairment or Disposal of Long-lived Assets" ("ASC 360").

Management reviews long-lived assets for impairment whenever changes in events or circumstances indicate the assets may be impaired, but no less frequently than annually. Pursuant to ASC 360, an impairment loss is to be recorded when the net book value of an asset exceeds the undiscounted cash flows expected to be generated from the use of the asset. If an asset is determined to be impaired, the asset is written down to its realizable value, and the loss is recognized in the statement of income in the period when the determination is made. No impairment charges for long-lived assets have been recorded for the years ended December 31, 2020 and 2019.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

(h) Income Taxes

Income tax expense consisting of current and deferred tax expense is recognized in the combined statements of income based on the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at year end.

Deferred tax assets and liabilities and the related deferred income tax expense or recovery, if any, are recognized for deferred tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases. Deferred tax assets and liabilities are measured using the enacted or substantively enacted tax rates expected to apply when the asset is realized, or the liability settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the period that substantive enactment occurs.

The Company is subject to U.S. Internal Revenue Code Section 280E. The section disallows deductions and credits attributable to a trade or business of trafficking in controlled substances. Under U.S. law marijuana is a Schedule I controlled substance. The Company has taken the position that any costs included in the cost of goods sold should not be treated as amounts subject to the Section 280E expense disallowance.

There are no positions for which it is reasonably possible that the uncertain tax benefit will significantly increase or decrease within twelve months. The Company files income tax returns in the United States and Illinois. The federal statute of limitation remains open for the 2017 tax year to the present. The state income tax returns generally remain open for the 2017 tax year through the present.

(i) Fair Value of Financial Instruments

The Company applies fair value accounting for all financial assets and liabilities and non-financial assets and liabilities that are recognized or disclosed at fair value in the combined financial statements on a recurring basis. The Company defines fair value as the price that would be received from selling an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. When determining the fair value measurements for assets and liabilities that are required to be recorded at fair value, the Company considers the principal or most advantageous market in which the Company would transact and the market-based risk measurements or assumptions that market participants would use in pricing the asset or liability, such as risks inherent in valuation techniques, transfer restrictions and credit risk. Fair value is estimated by applying the following hierarchy, which prioritizes the inputs used to measure fair value into three levels and bases the categorization within the hierarchy upon the lowest level of input that is available and significant to the fair value measurement:

Level 1 – Quoted prices in active markets for identical assets or liabilities.

Level 2 – Observable inputs other than quoted prices in active markets for identical assets and liabilities, quoted prices for identical or similar assets or liabilities in inactive markets, or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities.

Level 3 – Inputs that are generally unobservable and typically reflect management’s estimate of assumptions that market participants would use in pricing the asset or liability.

There were no transfers between levels during the years ended December 31, 2020 and 2019.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

(j) Significant Accounting Judgments, Estimates, and Assumptions

The preparation of the Company's combined financial statements requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, and revenue and expenses. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

Significant estimates inherent in the preparation of the Company's combined financial statements include the assumptions related to the estimated useful lives for property and equipment.

The novel coronavirus commonly referred to as "COVID-19" was identified in December 2019 in Wuhan, China. On January 30, 2020, the World Health Organization declared the outbreak a global health emergency, and on March 11, 2020, the spread of COVID-19 was declared a pandemic by the World Health Organization. On March 13, 2020, the spread of COVID-19 was declared a national emergency by President Donald Trump. The outbreak has spread throughout Europe, the Middle East and North America, causing companies and various international jurisdictions to impose restrictions such as quarantines, business closures and travel restrictions.

While these effects are expected to be temporary, the duration of the business disruptions and related financial impact cannot reasonably be estimated at this time. In addition, it is possible that estimates in the Company's combined financial statements will change in the near term as a result of COVID-19 and the effect of any such changes could be material, which could result in, among other things, impairment of long-lived assets including intangibles and goodwill. The Company is closely monitoring the impact of the pandemic on all aspects of its business.

(k) Recent Accounting Pronouncements

(i) The FASB issued ASU 2014-09, Revenue from Contracts with Customers, (Topic 606) (ASU 2014-09), in May 2014. ASU 2014-09 sets forth a new five-step revenue recognition model that will require the use of more estimates and judgment. ASU 2014-09 will replace current revenue recognition requirements in Topic 605, Revenue Recognition, in its entirety. The standard also requires more detailed disclosures and provides additional guidance for transactions that were not addressed completely in prior accounting guidance. ASU 2014-09 is effective for annual financial statements of private companies issued for fiscal years beginning after December 15, 2019, and should be applied retrospectively in the year the ASU is first applied using one of two allowable application methods. The Company has adopted this ASU as of January 1, 2019. The impact of the new standard on the combined financial statements was not significant.

(ii) In February 2016, the FASB issued ASU 2016-02, Leases (Topic 842) ("ASC 842"), which will replace ASC 840, "Leases". This standard introduces a single lessee accounting model and requires a lessee to recognize assets and liabilities for all leases with a term of more than twelve months unless the underlying asset is of low value. A lessee is required to recognize a right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. For private companies, the standard will be effective for annual periods beginning on or after December 15 2021, with earlier application permitted. The standard requires a modified retrospective approach for leases that exist or are entered into after the beginning of the earliest comparative period in the financial statements. The Company is currently evaluating the effect of adopting this ASU on the Company's combined financial statements.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

(k) Recent Accounting Pronouncements *(Continued)*

(iii) In June 2016, the FASB issued ASC 2016-13, Financial Instruments – Credit Losses (Topic 326), Measurement of Credit Losses on Financial Instruments. ASU 2016-13 requires entities to measure all expected credit losses for most financial assets held at the reporting date based on an expected loss model which includes historical experience, current conditions, and reasonable and supportable forecasts. Companies will now use forward-looking information to better form their credit loss estimates. ASU 2016-13 also requires enhanced disclosures to help financial statement users better understand significant estimates and judgements used in estimating credit losses, as well as the credit quality and underwriting standards of a company's portfolio. For private companies, ASU 2016-13 is effective for annual periods beginning after December 15, 2022. The Company does not believe that the impact of the new standard on its combined financial statements will be material.

(iv) In December 2019, the FASB issued ASU 2019-12, Income Taxes (Topic 740) - Simplifying the Accounting for Income Taxes, which is intended to simplify various aspects related to accounting for income taxes. ASU 2019-12 removes certain exceptions to the general principles in Topic 740 and also clarifies and amends existing guidance to improve consistent application. For private companies, ASU 2019-12 is effective for annual periods beginning and after December 15, 2021. The Company is currently evaluating the effect of adopting this ASU on the Company's combined financial statements.

(v) In October 2018, the FASB issued ASU 2018-17, Targeted Improvements to Related Party guidance for variable interest entities which amended the Consolidation topic (Topic 810) of the Accounting Standards Codification. Under the amended guidance, a nonpublic entity has the option to exempt itself from applying the variable interest entity (VIE) consolidation model to qualifying common control arrangements. The amendments are effective for annual periods beginning after December 15, 2020, and interim periods within annual periods beginning after December 15, 2021, with early adoption permitted. The Company adopted the amended guidance and elected to exempt itself from applying the VIE consolidation model to qualifying common control arrangements in 2019.

3. INVENTORIES

The Company's inventories include the following at December 31, 2020 and 2019:

	2020	2019
Cannabis	$ 442,602	$ 220,985
Non-cannabis	5,172	4,662
Total Inventories	$ 447,774	$ 225,647

4. PROPERTY AND EQUIPMENT

At December 31, 2020 and 2019, property and equipment consisted of:

	2020	2019
Furniture and Equipment	$ 42,993	$ 42,993
Building	2,074,593	1,211,389
Construction in Progress	—	328,363
Total Property and Equipment, Gross	2,117,586	1,582,745
Less: Accumulated Depreciation	(191,815)	(143,089)
Property and Equipment, Net	$ 1,925,771	$ 1,439,656

5. NOTES PAYABLE - MEMBERS

The Company had unsecured notes payable to members with original issuance amounts totaling of $2,040,787. The notes accrued interest ranging from 1% to 12%. All notes were paid off as of December 15, 2020 in connection with the asset sale (see Note 1).

6. MEMBERS' EQUITY

Effective December 15, 2020, the Company elected to be treated as a C Corporation for federal income tax purposes. Members' equity is comprised of one class of units, as described in the Company's applicable operating agreement.

7. INCOME TAXES

Provision for income taxes consists of the following for the years ended December 31, 2020 and 2019:

	2020	2019
Current Taxes		
Federal	$ 58,041	$ —
State	$ 23,338	$ —
Total income tax expense	$ 81,379	$ —

Effective December 15, 2020, the Company elected to be treated as a C Corporation for Federal income tax purposes.

As the Company operates in the cannabis industry, it is subject to the limitations of IRC Section 280E under which the Company is only allowed to deduct expenses directly related to sales of product. This results in permanent differences between ordinary and necessary business expenses deemed non-allowable under IRC Section 280E. Therefore, the effective tax rate can be highly variable and may not necessarily correlate with pre-tax income or loss. The Company has not identified any uncertain tax positions as of December 31, 2020.

8. CONTINGENCIES

The Company is subject to lawsuits, investigations and other claims related to employment, commercial and other matters that arise out of operations in the normal course of business. Periodically, the Company reviews the status of each significant matter and assesses the potential financial exposure. If the potential loss from any claim or legal proceeding is considered probable, and the amount can be reliably estimated, such amount is recognized in other liabilities.

Contingent liabilities are measured at management’s best estimate of the expenditure required to settle the obligation at the end of the reporting period and are discounted to present value where the effect is material. The Company performs evaluations to identify onerous contracts and, where applicable, records contingent liabilities for such contracts.

The Company engages in the marijuana business. Marijuana is currently illegal under U.S. federal law. It is a Schedule I controlled substance The Company’s operations are subject to a variety of local and state regulation. Failure to comply with one or more of those regulations could result in fines, restrictions on its operations, or losses of permits that could result in the Company ceasing operations. While management of the Company believes that the Company is in compliance with applicable local and state regulation as of December 31, 2020, marijuana regulations continue to evolve and are subject to differing interpretations. As a result, the Company may be subject to regulatory fines, penalties or restrictions in the future.

As discussed above, the cultivation, sale, and use of marijuana is illegal under U.S. federal law. Therefore, there is a compelling argument that banks cannot accept deposit funds from the medical marijuana business and therefore would not be able to do business with the Company. As such, the Company may have trouble finding a bank willing to accept its business. There can be no assurance that banks in U.S. states currently or in the future will decide to do business with medical marijuana growers or retailers, or that in the absence of U.S. legislation, U.S. state and federal banking regulators will not strictly enforce current prohibitions on banks handling funds generated from an activity that is illegal under U.S. federal law. This may make it difficult for the Company to open accounts, use the service of banks, and otherwise transact business, which in turn may negatively affect the Company.

9. SUBSEQUENT EVENTS

Management has evaluated significant events or transactions that have occurred since the combined balance sheet date and through the date the combined financial statements were available to be issued. Management has determined that no events or transactions have occurred subsequent to the combined balance sheet date that require additional disclosure in the combined financial statement or notes.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

This management discussion and analysis, which we refer to as the "**MD&A**", of the financial condition and results of operations of Chicago Alternative Health Center Holdings, LLC and Affiliate (the "**Company**") is for the years ended December 31, 2020 and 2019. It is supplemental to, and should be read in conjunction with, the combined financial statements for the years ended December 31, 2020 and 2019, and the accompanying notes thereto (the "**Annual Financial Statements**"). The Annual Financial Statements were prepared in accordance with accounting principles generally accepted in the United States of America, which we refer to as "**GAAP**".

The following discussion should be read in conjunction with, and is qualified in its entirety by, the Annual Financial Statements and the accompanying notes thereto. In addition to historical information, the discussion in this section contains forward-looking statements and forward-looking information (collectively, forward-looking information") that involve risks and uncertainties. Generally, forward-looking information may be identified by the use of forward-looking terminology such as "plans," "expects," "does not expect," "proposed," "is expected," "budgets," "scheduled," "estimates," "forecasts," "intends," "anticipates," "does not anticipate," "believes," or variations of such words and phrases, or by the use of words or phrases which state that certain actions, events, or results may, could, would, or might occur or be achieved. There can be no assurance that such forward-looking information will prove to be accurate, and actual results and future events could differ materially from those anticipated in such forward-looking information. Forward-looking information is subject to known and unknown risks, uncertainties, and other factors that may cause the actual results, level of activity, performance, or achievements of the Company to be materially different from those or implied by such forward-looking information. Such risks and other factors may include, but are not limited to: general business, economic, competitive, political and social uncertainties; general capital market conditions and market prices for securities; delay or failure to receive board or regulatory approvals; the actual results of future operations; operating and development costs; competition; changes in legislation or regulations affecting the Company; the timing and availability of external financing on acceptable terms; favorable production levels and outputs; the stability of pricing of cannabis products; the level of demand for cannabis product; the availability of third-party service providers and other inputs for the Company's operations; and lack of qualified, skilled labor or loss of key individuals. Although the Company has attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking information, including those set forth under the "Risk Factors" section and elsewhere in this Prospectus, there may be other factors that cause results not to be as anticipated, estimated or intended. Readers are cautioned that the foregoing list of factors is not exhaustive. Readers are further cautioned not to place undue reliance on forward-looking information as there can be no assurance that the plans, intentions or expectations upon which they are placed will occur. Forward-looking information contained in this MD&A is expressly qualified by this cautionary statement.

Financial information presented in this MD&A is presented in thousands of United States dollars ("$"), unless otherwise indicated. We round amounts in this MD&A to the thousands and calculate all percentages and per-share data from the underlying whole-dollar amounts. Thus, certain amounts may not foot, crossfoot, or recalculate based on reported numbers due to rounding. Unless otherwise indicated, all references to years are to our fiscal year, which ends on December 31.

This MD&A was prepared by management of the Company and is dated and presented as of March 26, 2021.

Business Overview

We were founded in 2016 and operate in one U.S. geographic market. As of March 26, 2021, we employ approximately 30 people. We currently have one open and operating retail location.

Results of Operations

Year Ended December 31, 2020 Compared to 2020

		2020	2019
venues, Net of Discounts	$	11,163,773	4,062,438
st of Goods Sold		7,380,092	2,478,293
oss Profit		3,783,681	1,584,145
erating Expenses:			
Selling, General and Administrative Expenses		961,905	1,006,830
come from Operations Before Income Taxes		2,821,776	577,315
ovision for Income Taxes		81,379	—
t Income	$	2,740,397	577,315

Revenue

Revenue for the year ended December 31, 2020 was $11,163,773, compared to $4,062,438 in 2019, primarily driven by growth in our retail business and the legalization of adult use cannabis in Illinois in 2020.

Cost of Goods Sold

Cost of goods sold for the year ended December 31, 2020 was $7,380,092, compared to $2,478,293 in 2019.

Gross Profit

Gross profit for the year ended December 31, 2020 was $3,783,681, representing a gross margin of 34%, compared to 39% in 2019. Gross margin during 2020 reflects strong performance in our retail location.

General and Administrative Expenses

General and administrative expenses for the year ended December 31, 2020 was $961,905, compared to $1,006,830 in 2019.

Compensation Expense

Compensation expense for the year ended December 31, 2020 was $406,674, compared to $428,163 in 2019, primarily driven by the hiring of personnel to support the expansion of operations during 2020.

Depreciation and Amortization

Depreciation and amortization for the year ended December 31, 2020 was $48,727, compared to $30,264 in 2019.

Interest Expense

Interest expense for the year ended December 31, 2020 was $160,288, compared to $4,362 in 2019. The increase of $155,926 was due to an increase in the principal amount of Company debt outstanding during 2020.

Income Tax Expense

Income tax expense is recognized based on the expected tax payable on the taxable income for the year, using tax rates enacted at year-end. For the year ended December 31, 2020, income tax expense totaled $81,379.

Since the Company operates in the cannabis industry, it is subject to the limitations of Section 280E of the Code, which prohibits businesses engaged in the trafficking of Schedule I or Schedule II controlled substances from deducting normal business expenses, such as payroll and rent, from gross profit (revenue less cost of goods sold). Section 280E was originally intended to penalize criminal market operators, but because cannabis remains a Schedule I controlled substance for federal purposes, the IRS has subsequently applied Section 280E to state legal cannabis businesses. Cannabis businesses operating in states that align their tax codes with the IRC are also unable to deduct normal business expenses from their state taxes. This results in permanent differences between ordinary and necessary business expenses deemed non-deductible under IRC Section 208E. Therefore, the effective tax rate can be highly variable and may not necessarily correlate with pre-tax income or loss, primarily driven by non-deductible expense.

Liquidity and Capital Resources

Our primary sources of liquidity are operating cash flows and borrowings through the issuances of notes payable.

Financing History and Future Capital Requirements

To date, we have used private financing as a source of liquidity for short-term working capital needs and general corporate purposes. Our future ability to fund operations, to make planned capital expenditures, and to repay or refinance indebtedness depends on our future operating performance, cash flows, and ability to obtain equity or debt financing, which are subject to prevailing economic conditions, as well as financial, business, and other factors, some of which are beyond our control.

As of December 31, 2020, and 2019, the Company had total current liabilities of $358,900 and $1,656,592, respectively, and cash of $376,226 and $235,543, respectively, to meet its current obligations. As of December 31, 2020, the Company had working capital of $494,848, an increase of $1,684,548 as compared to December 31, 2019, driven primarily by investments in inventory and notes receivable during 2020.

Cash Flows

	2020	2019
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net income	$ 2,740,397	$ 577,315
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation	48,726	30,264
Change in assets and liabilities:		
Inventories	(222,127)	(185,098)
Prepaid expenses and other assets	(24,046)	(5,702)
Accounts payable and accrued expenses	283,095	214,095
NET CASH PROVIDED BY OPERATING ACTIVITIES	2,826,045	214,095
CASHFLOWS FROM INVESTING ACTIVITIES:		
Purchase of property and equipment	(534,841)	(338,999)
NET CASH USED IN INVESTING ACTIVITIES	(534,841)	(338,999)
CASHFLOWS FROM FINANCING ACTIVITIES:		
Proceeds from issuance of notes payable - members	1,100,000	656,006
Repayments of notes payable - members	(2,680,787)	(180,000)
Member contributions	600,000	—
Member Distributions	(1,169,734)	(220,164)
NET CASH (USED IN) PROVIDED BY FINANCING ACTIVITIES	(2,150,521)	255,842
NET INCREASE IN CASH	140,683	130,938
CASH, BEGINNING OF YEAR	235,543	104,605
CASH, END OF YEAR	$ 376,226	$ 235,543

Operating Activities

Net cash used in operating activities increased by $2,611,950 during 2020, as compared to 2019, primarily driven by the expansion in our operations.

Investing Activities

Net cash used in investing activities increased by $195,842 during 2020, as compared to 2019.

Financing Activities

Net cash used in financing activities increased by $2,406,363 during 2020, as compared to 2019, primarily due to repayment of notes and member distributions.

Off-Balance Sheet Arrangements

As of the date of this MD&A, we do not have any off-balance-sheet arrangements, as defined by applicable regulations of the Securities and Exchange Commission, that have, or are reasonably likely to have, a current or future effect on the results of our operations or financial condition, including, and without limitation, such considerations as liquidity and capital resources.

Related Party Transactions

We did not identify significant related party transactions during the years ended December 31, 2020 and 2019.

Subsequent Transactions

We did not identify significant subsequent events.

Critical Accounting Policies and Estimates

The preparation of combined financial statements in accordance with GAAP requires our management to make certain estimates that affect the reported amounts. The Company's significant accounting policies are described in Note 2, "*Summary of Significant Accounting Policies*," in the Annual Financial Statements. The Company bases estimates on historical experience, known or expected trends, independent valuations, and various other assumptions that the Company believes to be reasonable under the circumstances. As future events and their effects cannot be determined with precision, actual results could differ significantly from these estimates. The Company believes the following critical accounting policies govern the more significant judgments and estimates used in the preparation of the Annual Financial Statements. Significant estimates inherent in the preparation of the Company's combined financial statements include the assumptions related to the estimated useful lives for property and equipment.

Recent Accounting Pronouncements

The following GAAP standards have been recently issued by the Financial Accounting Standards Board ("**FASB**"). We are assessing the impact of these new standards on future combined financial statements. Pronouncements that are not applicable to the Company or where it has been determined do not have a significant impact on us have been excluded herein.

The FASB issued ASU 2014-09, Revenue from Contracts with Customers, (Topic 606) (ASU 2014-09), in May 2014. ASU 2014-09 sets forth a new five-step revenue recognition model that will require the use of more estimates and judgment. ASU 2014-09 will replace current revenue recognition requirements in Topic 605, Revenue Recognition, in its entirety. The standard also requires more detailed disclosures and provides additional guidance for transactions that were not addressed completely in prior accounting guidance. ASU 2014-09 is effective for annual financial statements of private companies issued for fiscal years beginning after December 15, 2019, and should be applied retrospectively in the year the ASU is first applied using one of two allowable application methods. The Company has adopted this ASU as of January 1, 2019. The impact of the new standard on the combined financial statements was not significant.

In February 2016, the FASB issued ASU 2016-02, Leases (Topic 842) ("ASC 842"), which will replace ASC 840, "Leases". This standard introduces a single lessee accounting model and requires a lessee to recognize assets and liabilities for all leases with a term of more than twelve months unless the underlying asset is of low value. A lessee is required to recognize a right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. For private companies, the standard will be effective for annual periods beginning on or after December 15 2021, with earlier application permitted. The standard requires a modified retrospective approach for leases that exist or are entered into after the beginning of the earliest comparative period in the financial statements. The Company is currently evaluating the effect of adopting this ASU on the Company's combined financial statements.

In June 2016, the FASB issued ASC 2016-13, Financial Instruments – Credit Losses (Topic 326), Measurement of Credit Losses on Financial Instruments. ASU 2016-13 requires entities to measure all expected credit losses for most financial assets held at the reporting date based on an expected loss model which includes historical experience, current conditions, and reasonable and supportable forecasts. Companies will now use forward-looking information to better form their credit loss estimates. ASU 2016-13 also requires enhanced disclosures to help financial statement users better understand significant estimates and judgements used in estimating credit losses, as

well as the credit quality and underwriting standards of a company's portfolio. For private companies, ASU 2016-13 is effective for annual periods beginning after December 15, 2022. The Company does not believe that the impact of the new standard on its combined financial statements will be material.

In December 2019, the FASB issued ASU 2019-12, Income Taxes (Topic 740) - Simplifying the Accounting for Income Taxes, which is intended to simplify various aspects related to accounting for income taxes. ASU 2019-12 removes certain exceptions to the general principles in Topic 740 and also clarifies and amends existing guidance to improve consistent application. For private companies, ASU 2019-12 is effective for annual periods beginning and after December 15, 2021. The Company is currently evaluating the effect of adopting this ASU on the Company's combined financial statements.

In October 2018, the FASB issued ASU 2018-17, Targeted Improvements to Related Party guidance for variable interest entities which amended the Consolidation topic (Topic 810) of the Accounting Standards Codification. Under the amended guidance, a nonpublic entity has the option to exempt itself from applying the variable interest entity (VIE) consolidation model to qualifying common control arrangements. The amendments are effective for annual periods beginning after December 15, 2020, and interim periods within annual periods beginning after December 15, 2021, with early adoption permitted. The Company adopted the amended guidance and elected to exempt itself from applying the VIE consolidation model to qualifying common control arrangements in 2019.

Quantitative and Qualitative Disclosures About Market Risk

We are exposed in varying degrees to a variety of financial instrument related risks. The Company mitigates these risks by assessing, monitoring and approving our risk management processes.

Credit Risk

Credit risk is the risk of a potential loss to us if a customer or third party to a financial instrument fails to meet its contractual obligations. The maximum credit exposure at December 31, 2020 is the carrying amount of cash and cash equivalents. We do not have significant credit risk with respect to our customers. All cash and cash equivalents are placed with major U.S. financial institutions.

We provide credit to our customers in the normal course of business. We have established credit evaluation and monitoring processes to mitigate credit risk but have limited risk as the majority of our sales are transacted with cash.

Liquidity Risk

Liquidity risk is the risk that we will not be able to meet our financial obligations associated with financial liabilities. We manage liquidity risk through the effective management of our capital structure. Our approach to managing liquidity is to ensure that we will have sufficient liquidity at all times to settle obligations and liabilities when due.

Market Risk

Market risk is the risk of loss arising from adverse changes in market rates and prices, such as interest rates, raw materials, and other commodity prices. Strategic and operational risks may arise if we fail to carry out business operations and/or raise sufficient equity and/or debt financing. Strategic opportunities or threats may arise from a range of factors that might include changing economic and political circumstances and regulatory approvals and competitor actions. We seek to mitigate such risks by consideration of potential development opportunities and challenges.

Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Cash and cash equivalents bear interest at market rates. Our financial debts have fixed rates of interest and therefore expose us to a limited interest rate fair value risk.

Commodities Price Risk

Price risk is the risk of variability in fair value due to movements in equity or market prices. The primary raw materials used by us aside from those cultivated internally are labels and packaging. Management believes a hypothetical 10% change in the price of these materials would not have a significant effect on our combined annual results of operations or cash flows, as these costs are generally passed through to our customers. However, such an increase could have an impact on our customers' demand for our products, and we are not able to quantify the impact of such potential change in demand on our annual results of operations or cash flows.

COVID-19 Risk

We are monitoring COVID-19 closely, and although our operations have not been materially affected by the COVID-19 outbreak to date, the ultimate severity of the outbreak and its impact on the economic environment is uncertain. Our operations are ongoing as the cultivation, processing and sale of cannabis products is currently considered an essential business by the states in which we operate with respect to all customers (except for Massachusetts, where cannabis has been deemed essential only for medical patients). In all locations where regulations have been enabled by governmental authorities, we have expanded consumer delivery options and curbside pickup to help protect the health and safety of our employees and customers. The pandemic has not materially impacted our business operations or liquidity position to date. We continue to generate operating cash flows to meet our short-term liquidity needs. The uncertain nature of the spread of COVID-19 may impact our business operations for reasons including the potential quarantine of our employees or those of our supply chain partners or a change in our designation as "essential" in states where we do business that currently or in the future impose restrictions on business operations.

MEDMEN NY, INC.

AUDITED
FINANCIAL STATEMENTS

FOR THE YEARS ENDED
DECEMBER 31, 2020
AND
DECEMBER 31, 2019

MEDMEN NY, INC.
Index to Financial Statements

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of MedMen NY, Inc.

Opinion

We have audited the financial statements of MedMen NY, Inc. (the "Company"), which comprise the balance sheets as of December 31, 2020 and 2019, and the statements of loss, changes in member's equity, and cash flows for the years then ended, and notes to the financial statements, including a summary of significant accounting policies.
In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2020 and 2019, and its financial performance and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audits of the financial statements in the United States, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Matter

As part of our audits of the 2020 and 2019 financial statements, we also audited the adjustments described in Note 13 that were applied to restate the 2018 financial statements. In our opinion, such adjustments are appropriate and have been properly applied. We were not engaged to audit, review, or apply any procedures to the 2018 financial statements of the Company other than with respect to the adjustments and, accordingly, we do not express an opinion or any other form of assurance on the 2018 financial statements as a whole.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audits and significant audit findings, including any significant deficiencies in internal control that we identify during our audits.

/s/ MNP LLP

1500, 640 – 5th Avenue SW
Calgary, Alberta
Canada

March 26, 2021

Chartered Professional Accountants

MEDMEN NY. INC
Balance Sheets
As of December 31, 2020 and December 31, 2019

ASSETS	December 31, 2020	December 31 2019 (Restated Note 13)
Current Assets:		
Cash and Cash Equivalents	$ 733,811	$ 297,150
Restricted Cash	5,280	8,844
Income Taxes Receivable	—	6,805
Prepaid Expenses	2,245,216	2,940,495
Inventory	4,781,229	3,359,689
Total Current Assets	7,765,536	6,612,983
Non-Current Assets:		
Property and Equipment, Net	14,377,150	20,462,060
Intangible Assets, Net	10,951,050	12,400,720
Goodwill	—	10,677,692
Other Assets	1,575,320	1,574,740
Total Non-Current Assets	26,903,520	45,115,212
TOTAL ASSETS	**$ 34,669,056**	**$ 51,728,195**
LIABILITIES AND MEMBER'S EQUITY		
Current Liabilities:		
Accounts Payable and Accrued Liabilities	$ 7,526,369	$ 5,297,406
Income Taxes Payable	1,326,118	1,323,646
Total Current Liabilities	8,852,487	6,621,052
Non-Current Liabilities:		
Deferred Tax Liabilities	5,240,823	5,935,164
Total Non-Current Liabilities	5,240,823	5,935,164
TOTAL LIABILITIES	**14,093,310**	**12,556,216**
SHAREHOLDERS' EQUITY		
Common Stock	**—**	**—**
Additional Paid-In Capital	**76,198,112**	**70,433,888**
Accumulated Deficit	**(55,622,366)**	**(31,261,909)**
TOTAL SHAREHOLDERS' EQUITY	**20,575,746**	**39,171,979**
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	**$ 34,669,056**	**$ 51,728,195**

The accompanying notes are an integral part of these Financial Statements.

MEDMEN NY, INC.
Statements of Operations
For the Years Ended December 31, 2020 and December 31, 2019

	December 31, 2020	December 31, 2019
Revenues	$ 9,148,884	$ 9,189,298
Cost of Goods Sold	4,364,585	4,173,970
Gross Profit	4,784,299	5,015,328
Expenses:		
General and Administrative	10,485,162	13,186,153
Sales and Marketing	14,000	1,617
Impairment	18,074,243	—
Depreciation and Amortization	2,846,311	2,248,452
Total Expenses	31,419,716	15,436,222
Loss from Operations	(26,635,417)	(10,420,894)
Other Expense:		
Interest Expense	656	56,587
Other Expense, Net	—	410,444
Total Other Expense	656	467,031
Loss Before Provision for Income Taxes	(26,636,073)	(10,887,925)
Provision for Income (Benefit) Tax	(2,275,616)	156,571
Net Loss	**$ (24,360,457)**	**$ (11,044,496)**

The accompanying notes are an integral part of these Financial Statements.

MEDMEN NY, INC.
Statements of Changes in Member's Equity
Year Ended December 31, 2020 and December 31, 2019

	Common Stock	Additional Paid-In Capital	Accumulated Deficit (Restated Note 13)	Total Shareholder's Equity
Balance as of January 1, 2019 (Restated – Note 13)	**$ —**	**$ 52,316,410**	**$ (20,217,413)**	**$ 32,098,997**
Net Loss	—	—	(11,044,496)	(11,044,496)
Additional Contributions	—	18,117,478	—	18,117,478
Balance as of December 31, 2019	**—**	**70,433,888**	**(31,261,909)**	**39,171,979**
Net Loss	—	—	(24,360,457)	(24,360,457)
Additional Contributions	—	5,764,224	—	5,764,224
Balance as of December 31, 2020	**$ —**	**$ 76,198,112**	**$ 55,622,366**	**$ 20,575,746**

The accompanying notes are an integral part of these Financial Statements.

MEDMEN NY, INC.
Statements of Cash Flows
Year Ended December 31, 2020 and December 31, 2019

	December 31, 2020	December 31, 2019
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net Loss	$ (24,360,457)	$ (11,044,496)
Adjustments to Reconcile Net Loss to Net Cash Used in Operating Activities		
Depreciation and Amortization	3,373,372	2,600,128
Impairment	18,074,243	—
Deferred Tax Benefit	(2,284,892)	(1,345,086)
Loss on Extinguishment of Debt	—	448,075
Changes in Operating Assets and Liabilities:		
Prepaid Expenses and Other Current Assets	695,279	552,059
Inventory	(1,421,540)	(756,761)
Other Assets	(580)	725,546
Accounts Payable and Accrued Liabilities	2,228,963	4,290,782
Income Taxes Payable & Receivable	(856,511)	47,745
Other Current Liabilities	—	(841,003)
Due to Related Party	—	(192,283)
Other Non-Current Liabilities	—	(853,653)
NET CASH USED IN OPERATING ACTIVITIES	**(4,552,123)**	**(6,368,947)**
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchases of Property and Equipment	(779,004)	(9,307,586)
Restricted Cash	3,564	747,694
CASH USED IN INVESTING ACTIVITIES	**(775,440)**	**(8,559,892)**
CASH FLOWS FROM FINANCING ACTIVITIES:		
Member Contributions	5,764,224	14,498,851
CASH PROVIDED BY FINANCING ACTIVITIES	**5,764,224**	**14,498,851**
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	**436,661**	**(429,988)**
Cash and Cash Equivalents, Beginning of Year	297,150	727,138
CASH AND CASH EQUIVALENTS, END OF YEAR	**$ 733,811**	**$ 297,150**
SUPPLEMENTAL DISCLOSURE FOR NON-CASH TRANSACTIONS		
Deferred Taxes Incurred Upon Property Purchases	**$ 2,456,339**	**$ 3,524,261**
Contribution by Parent Company for the Extinguishment of Debt	**$ —**	**$ 3,618,626**

The accompanying notes are an integral part of these Financial Statements.

NOTE 1 - NATURE OF OPERATIONS

Organization

MedMen NY, Inc. (“MMNY” or “the Company”, formerly known as Bloomfield Industries, Inc.) is a New York corporation. The Company was formed on March 12, 2015 in the State of New York and began operations when it opened its retail storefront in Buffalo (Williamsville), New York in January 2016.

On January 19, 2017, Project Compassion NY, LLC, a Deleware limited liability company (“Project Compassion”), a company controlled by MMMG, LLC, a Nevada Limited liability company (“MMMG” or “MedMen”), acquired all of the assets of the Company.

The Company is a retail seller and cultivator of medical cannabis and has received the necessary governmental approvals and permitting to operate medical cannabis dispensary facilities and a cultivation facility in the State of New York. The dispensary facilities are located in Buffalo (Williamsville; Long Island (lake Success); Syracuse (Salma); and New York City (Fifth Avenue). The cultivation facility is located in Utica.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America ("GAAP") and reflect the accounts of and operations of the Company.

Use of Estimates

The preparation of financial statements in accordance with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the dates of the financial statements and the reported amounts of total net revenue and expenses in the reporting periods. The Company regularly evaluates significant estimates and assumptions related to the estimated useful lives, depreciation of property and equipment, amortization of intangible assets, inventory valuation, goodwill impairment, long-lived asset impairment, and going concern. These estimates and assumptions are based on current facts, historical experience and various other factors that the Company believes to be reasonable under the circumstances, the results of which form the basis for making judgments about the carrying values of assets and liabilities and the recording of revenue, costs and expenses that are not readily apparent from other sources. The actual results the Company experiences may differ materially and adversely from these estimates. To the extent there are material differences between the estimates and actual results, the Company's future results of operations will be affected.

Cash and Cash Equivalents

Cash and cash equivalents include cash on hand and cash deposits in financial institutions.

Restricted Cash

Restricted cash balances are those which meet the definition of cash and cash equivalents but are not available for use by the Company. As of December 31, 2020 and 2019, restricted cash was $5,280 and $8,844, respectively.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

Inventory

The costs of growing cannabis, including but not limited to labor, utilities, nutrition and supplies, are capitalized into inventory until the time of harvest. All direct and indirect costs related to inventory are capitalized when incurred, and subsequently classified to cost of goods sold in the Statement of Operations. Retail inventory is valued at the lower of cost and net realizable value. Cost is determined using the first-in, first-out method. Net realizable value is determined as the estimated selling price in the ordinary course of business less estimated costs to sell. Packaging and supplies are initially valued at cost. The Company reviews inventory for obsolete, redundant and slow-moving goods and any such inventory is written down to net realizable value. As of December 31, 2020 and 2019, the Company determined that no reserve was necessary.

Property and Equipment

Property and equipment is stated at cost, net of accumulated depreciation, amortization and impairment losses, if any. Depreciation and amortization is calculated on a straight-line basis over the estimated useful life of the asset using the following terms and methods:

Furniture and Fixtures	3 – 7 Years
Leasehold Improvements	Shorter of Lease Term or Economic Life
Equipment and Software	3 – 7 Years
Construction in Progress	Not Depreciated

Expenditures for major renewals and improvements are capitalized, while minor replacements, maintenance and repairs, which do not extend the asset lives, are charged to operations as incurred. The assets' residual values, useful lives and methods of depreciation are reviewed at each reporting period and adjusted prospectively if appropriate. An item of property and equipment is derecognized upon disposal or when no future economic benefits are expected from its use. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying value of the asset) is included in the statement of operations in the period the asset is derecognized.

Intangible Assets

Intangible assets are recorded at cost, less accumulated amortization and impairment losses, if any. Intangible assets acquired in a business combination are measured at fair value at the acquisition date. Amortization of definite life intangibles is recorded on a straight-line basis over their estimated useful lives, which do not exceed the contractual period, if any. The estimated useful lives, residual values and amortization methods are reviewed at each reporting period, and any changes in estimates are accounted for prospectively. Intangible assets with an indefinite life or not yet available for use are not subject to amortization. Amortization is calculated on a straight-line basis over the estimated useful life of the asset using the following terms and methods:

Dispensary Licenses	15 Years
Customer Relationships	5 Years

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

Goodwill

Goodwill is measured as the excess of consideration transferred and the net of the acquisition date fair value of assets acquired, and liabilities assumed in a business acquisition. In accordance with ASC 350, "Intangibles—Goodwill and Other", goodwill and other intangible assets with indefinite lives are no longer subject to amortization. The Company reviews the goodwill and other intangible assets for impairment on an annual basis as of year-end or whenever events or changes in circumstances indicate carrying amount it is more likely than not that the fair value of a reporting unit is less than its carrying amount. The carrying amount is determined based upon the assignment of the Company's assets and liabilities, including existing goodwill, to the identified reporting units. Where an acquisition benefits only one reporting unit, the Company allocates, as of the acquisition date, all goodwill for that acquisition to the reporting unit that will benefit. In order to determine if goodwill is impaired, the Company measures the impairment of goodwill by comparing the carrying amount to the estimated fair value. If the carrying amount is in excess of its fair value, the Company recognizes an impairment charge equal to the amount in excess.

Impairment of Long-Lived Assets

Long-lived assets such as property and equipment and intangible assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable, but no less frequently than annually. Recoverability of assets to be held and used is measured by a comparison of the carrying amount of an asset to future net cash flows (undiscounted and without interest charges) expected to be generated by the asset. If such assets are considered to be impaired, the impairment to be recognized is measured by the amount by which the carrying amount of the assets exceeds the estimated fair value of the assets.

Revenue Recognition

The Company adopted Accounting Standards Update ("ASU") 2014-09, "*Revenue from Contracts with Customers,*" and all the related amendments, which are also codified into ASC 606. Under the new standard, the Company recognizes a sale as follows:

Revenue is recognized at the fair value of consideration received or receivable. Revenue from the sale of goods is recognized when all the following conditions have been satisfied, which are generally met once the products are shipped to customers:

- The Company has transferred the significant risks and rewards of ownership of the goods to the purchaser;
- The Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- The amount of revenue can be measured reliably;
- It is probable that the economic benefits associated with the transaction will flow to the entity; and
- The costs incurred or to be incurred in respect of the transaction can be measured reliably.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

Cost of Sales

Cost of sales includes the costs directly attributable to product sales.

Income Taxes

The Company is treated as a C Corporation for federal income tax purposes and corporate income taxes in the State of New York. Tax expense recognized in profit or loss comprises the sum of current and deferred taxes not recognized in other comprehensive income or directly in equity.

Current Tax

Current tax assets and/or liabilities comprise those claims from, or obligations to, fiscal authorities relating to the current or prior reporting periods that are unpaid at the reporting date. Current tax is payable on taxable profit, which differs from profit or loss in the financial statements. Calculation of current tax is based on tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period.

Deferred Tax

Income taxes are accounted for under the asset and liability method, which requires the recognition of deferred tax assets and liabilities for the expected future tax consequences of events that have been included in the financial statements. Under this method, deferred tax assets and liabilities are determined on the basis of the differences between the financial statement and tax basis of assets and liabilities by using enacted tax rates in effect for the year in which the differences are expected to reverse. The effect of a change in tax rates on deferred tax assets and liabilities is recognized in income in the period that includes the enactment date.

Deferred tax assets are recognized to the extent that the Company believe that these assets are more likely than not to be realized. In making such a determination, all available positive and negative evidence are considered, including future reversals of existing taxable temporary differences, projected future taxable income, tax-planning strategies, and results of recent operations. If it is determined that the Company would be able to realize deferred tax assets in the future in excess of their net recorded amount, an adjustment to the deferred tax asset valuation allowance is recorded, which would reduce the provision for income taxes.

Tax benefit from an uncertain tax position may be recognized when it is more likely than not that the position will be sustained upon examination, including resolutions of any related appeals or litigation processes, based on the technical merits of the position. ASC 740 also provides guidance on measurement, derecognition, classification, interest and penalties, accounting in interim periods, disclosure and transition.

Leased Assets

A lease of property and equipment is classified as a capital lease if it transfers substantially all the risks and rewards incidental to ownership to the Company. A lease of property and equipment is classified as an operating lease whenever the terms of the lease do not transfer substantially all of the risks and rewards of ownership to the lessee. Lease payments are recognized as an expense on a straight-line basis over the lease term, except where another systematic basis is more representative of the time pattern in which the economic benefits are consumed.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

Concentrations of Risk

The Company's significant concentrations of risk consists of cash and cash equivalents. The Company maintains its cash with high-credit, quality financial institutions. At times, such deposits may be in excess of amounts insured by the Federal Deposit Insurance Corporation, up to $250,000 per bank. The Company has not experienced any losses in such accounts and believes that it is not exposed to any significant credit risk.

There were no customers that comprised more than 10% of the Company's revenue for the year ended December 31, 2020 and 2019.

Advertising Costs

The Company expenses advertising costs as incurred. There were $14,000 and $1,617 in advertising costs during the year ended December 31, 2020 and 2019, respectively.

Recently Issued Accounting Standards

FASB ASU No. 2016-02 (Topic 842), "Leases" - Issued in February 2016, ASU No. 2016-02 established ASC Topic 842, Leases, as amended by subsequent ASUs on the topic, which sets out the principles for the recognition, measurement, presentation and disclosure of leases for both lessees and lessors. ASU 2016-02 requires lessees to apply a two-method approach, classifying leases as either finance or operating leases based on the principle of whether or not the lease is effectively a financed purchase. Lessees are required to record a right-of-use asset and a lease liability for all leases with a term greater than 12 months. Leases with a term of 12 months or less will be accounted for similar to existing guidance for operating leases. Lessees will recognize expense based on the effective interest method for finance leases or on a straight-line basis for operating leases. The accounting applied by the lessor is largely unchanged from that applied under the existing lease standard. The Company will be required to record a right-of-use asset and lease liability equal to the present value of the remaining minimum lease payments and will continue to recognize expense on a straight-line basis upon adoption of this standard. The Company expects to record a decrease in long- term prepaid rent, reduction in its deferred rents, and an increase in lease liabilities and right of use assets upon adoption. The Company does not expect any impact to retained earnings upon transition. ASU 2016-02 is effective for reporting periods beginning after December 15, 2020 for non-public entities.

FASB ASU No. 2019-12 (Topic 740), "Simplifying the Accounting for Income Taxes" - Issued in December 2019, which eliminates certain exceptions related to the approach for intraperiod tax allocation, the methodology for calculating income taxes in an interim period and the recognition of deferred tax liabilities for outside basis differences. It also clarifies and simplifies other aspects of the accounting for income taxes. ASU 2019-12 is effective for fiscal years beginning after December 15, 2020, and interim periods within those fiscal years. The Company is currently evaluating the adoption date and impact, if any, adoption will have on its financial position and results of operations.

NOTE 3 - LIQUIDITY AND CAPITAL RESOURCES

In March 2020 the World Health Organization declared coronavirus COVID-19 a global pandemic. This contagious disease outbreak, which has continued to spread, and any related adverse public health developments, has adversely affected workforces, customers, economies, and financial markets globally, leading to an economic downturn. It has also disrupted the normal operations of many businesses, including ours. This outbreak has decreased spending, adversely affected demand for our product and harmed our business and results of operations.

As of December 31, 2020 and 2019, the Company had a working capital (deficit) of $(1,086,951) and $(8,069), respectively, and net losses of $24,360,457 and $11,044,496 for the year ended December 31, 2020 and 2019, respectively. The Company's parent company continues to finance its cash needs through on-demand partner contributions. If management is unsuccessful in its efforts to generate profitable operations and/or continue to receive financial support, the Company may not be able to continue as a going concern.

The ability of the Company to continue as a going concern and to meet its obligations will be dependent upon successful sales of inventory and ultimately successful operations and cash flows. The accompanying combined financial statements do not reflect any adjustment that might result from the outcome of this uncertainty.

NOTE 4 - PREPAID EXPENSES

As of December 31, 2020 and 2019, prepaid expenses was comprised of the following:

	December 31, 2020	December 31, 2019
Prepaid Rent	$ 2,141,921	$ 2,711,380
Prepaid Insurance	5,828	55,547
Prepaid Expenses	97,467	173,568
Total Prepaid Expenses	**$ 2,245,216**	**$ 2,940,495**

NOTE 5 - INVENTORY

As of December 31, 2020 and 2019, inventory was comprised of the following:

	December 31, 2020	December 31, 2019
Raw Materials	$ 286,271	$ 281,480
Work-in-Process	2,601,073	1,869,149
Finished Goods	1,893,885	1,209,060
Total Inventory	**$ 4,781,229**	**$ 3,359,689**

NOTE 6 - PROPERTY AND EQUIPMENT

As of December 31, 2020 and 2019, property and equipment consisted of the following:

	December 31, 2020	December 31, 2019
Furniture and Fixtures	$ 1,617,686	$ 1,412,803
Leasehold Improvements	9,245,476	4,989,100
Equipment and Software	4,070,461	4,107,404
Construction in Progress	4,635,218	13,194,586
Total Property and Equipment, Gross	19,568,841	23,703,896
Less: Accumulated Depreciation and Amortization	(5,191,691)	(3,241,833)
Total Property and Equipment, Net	**$ 14,377,150**	**$ 20,462,060**

For the years ended December 31, 2020 and 2019, the Company recognized $1,923,702 and $1,121,114 of depreciation expense, respectively.

During the year ended December 31, 2020, management noted indicators of impairment of its long-lived assets due to the impacts of COVID-19. Accordingly, the Company recorded an impairment of $7,396,531 of its property which are included as a component of impairment expense in the accompanying statement of operations. The Company used various Level 3 inputs and a discounted cash flow model to determine the fair value of these asset groups.

NOTE 7 - INTANGIBLE ASSETS

As of December 31, 2020 and 2019, intangible assets consisted of the following:

	December 31, 2020	December 31, 2019
Dispensary Licenses	$ 14,171,600	$ 14,171,600
Customer Relationships	2,658,600	2,658,600
Total Intangibles, Gross	16,830,200	16,830,200
Less:		
Accumulated Amortization (Dispensary)	(3,769,515)	(2,834,320)
Accumulated Amortization (Customer Relationships)	(2,109,635)	(1,595,160)
Total Accumulated Amortization	(5,879,150)	(4,429,480)
Total Intangibles, Net	**$ 10,951,050**	**$ 12,400,720**

For the years ended December 31, 2020 and 2019, the Company recognized $1,449,670 and $1,479,014 of amortization expense, respectively.

NOTE 8 - GOODWILL

As of December 31, 2020 and 2019, goodwill was $0 and $10,677,692, respectively. Goodwill is assigned to the reporting unit, which is the operating segment level or one level below the operating segment. Management considers the Company to be one operating segment and one reporting unit. Goodwill arises from the purchase price for acquired businesses exceeding the fair value of tangible and intangible assets acquired less assumed liabilities. Goodwill is reviewed annually for impairment or more frequently if impairment indicators arise. The Company adopted ASU 2017-04 which eliminates Step 2 from the quantitative assessment of the goodwill impairment test wherein the goodwill impairment loss was measured by comparing the implied fair value of a reporting unit's goodwill with its carrying amount. As a result of the amendment, the goodwill impairment test consists of one step comparing the fair value of a reporting unit with its carrying amount. The amount by which the carrying amount exceeds the reporting unit's fair value is recognized as a goodwill impairment loss.

The Company conducts its annual goodwill impairment assessment during the second quarter of each year. For the purpose of the goodwill impairment for the year ended December 31, 2019, the Company performed the qualitative approach and concluded based upon the qualitative factors, no impairment was required. For the purpose of the goodwill impairment test for the year ended December 31, 2020, due to various factors, the Company forwent the qualitative approach and performed a quantitative assessment wherein the fair value of each reporting unit is determined using a discounted cash flow method (income approach). The earnings forecast for the reporting unit impaired was revised based on a decrease in anticipated operating profits and cash flows for the next five years as it relates to the current economic environment related to COVID-19. The fair value of that reporting unit was estimated using the expected present value of future cash flows. As of December 31, 2020, the Company recorded a goodwill impairment loss in the amount of $10,677,692 which is included as a component of impairment expense in the accompanying statement of operations.

NOTE 9 - NOTES PAYABLE

The Company had a convertible note dated January 18, 2017 which was issued to accredited investors. The convertible note matured on January 18, 2019. During the year ended December 31, 2019 the Company's parent company paid the debt holders through the issuance of the parent company's shares. The payment is reflected as a contribution in the statement changes in shareholders' equity. As a result, the Company recognized a loss on extinguishment of debt of approximately $448,000 which is included as a component of other expense in the accompanying statement of operations for the year ended December 31, 2019.

NOTE 10 - COMMITMENTS AND CONTINGENCIES

Operating Leases

The Company leases property from third parties under operating lease agreements that specify minimum rentals. The lease expires 2029 and contains certain renewal provisions. The Company's rent expense was $4,531,602 and $4,510,094 for the year ended December 31, 2020 and 2019, respectively and recorded in general and administrative expenses in the accompanying statements of operations.

Future minimum lease payments under non-cancelable operating leases having an initial or remaining term of more than one year are as follows:

Fiscal Year Ending December:	Scheduled Payments
2021	4,838,272
2022	4,687,018
2023	4,542,162
2024	4,680,631
2025	4,817,784
Thereafter	13,999,315
Total Future Minimum Lease Payments	**$ 37,565,183**

Contingencies

The Company's operations are subject to a variety of local and state regulations. Failure to comply with one or more of these regulations could result in fines, restrictions on its operations, or losses of permits that could result in the Company ceasing operations. While management of the Company believes that the Company is in compliance with applicable local and state regulations as of December 31, 2020 and 2019, marijuana regulations continue to evolve and are subject to differing interpretations. As a result, the Company may be subject to regulatory fines, penalties or restrictions in the future.

Claims and Litigation

From time to time, the Company may be involved in litigation relating to claims arising out of operations in the normal course of business. As of December 31, 2020 and 2019, there were no pending or threatened lawsuits that could reasonably be expected to have a material effect on the results of the Company's operations. As of December 31, 2020 and 2019, there are also no proceedings in which any of the Company's directors, officers or affiliates is an adverse party to the Company or has a material interest adverse to the Company's interest.

NOTE 11 – PROVISION FOR INCOME TAXES AND DEFERRED TAXES

The Company files a federal income tax return and files tax returns in New York State and New York City jurisdictions. The statutes of limitations for its federal income tax returns are open for fiscal years 2017 and after, and state and local income tax returns are open for fiscal years 2017 and after.

As of December 31, 2020, and December 31, 2019, the Company had unrecognized tax benefits of $1.5 million and $1.5 million, respectively, that, if recognized, would affect the Company's effective income tax rate. The company does not expect any significant change to the unrecognized tax benefits over the next 12 months.

The Company's policy is to recognize interest and penalties accrued related to unrecognized tax benefits in income tax expense. As of December 31, 2020, and December 31, 2019, the Company had accrued interest and penalties of approximately $83,300 and $41,600, respectively.

The provision for income taxes consists of the following for the years ended December 31, 2020 and 2019:

	2020	2019
Current:		
Federal	$ —	$ 1,493,646
State	9,276	8,011
Total Current	9,276	1,501,657
Deferred:		
Federal	(1,595,470)	(1,141,117)
State	(689,422)	(203,969)
Total Deferred	(2,284,892)	(1,345,086)
Total Provision for Income Tax (Benefit) Expense	**$ (2,275,616)**	**$ 156,571**

A reconciliation of the total income tax expense and the amount computed by applying the federal statutory income tax rate of 21% to the loss before provision from income taxes for the years ended December 31, 2020 and 2019, is as follows:

	2020	2019
Loss from Operations	$ (26,636,073)	$ (10,887,925)
Statutory Income Tax Rate	21 %	21 %
Expected tax recovery	$ (5,593,575)	$ (2,286,464)
S.280E Non-Deductible Items	4,886,341	2,665,553
Other Items	(1,568,382)	(222,518)
Total Tax (Benefit) Expense	**$ (2,275,616)**	**$ 156,571**

NOTE 11 – PROVISION FOR INCOME TAXES AND DEFERRED TAXES *(Continued)*

As of December 31, 2020 and 2019, the components of deferred tax liabilities (assets) were as follows:

	2020	2019
Deferred Tax Liabilities (Assets):		
Depreciable asset basis differences	$ 5,525,196	$ 6,023,950
Net Operating Loss	(284,373)	(88,786)
Total Deferred Tax Liabilities, Net	5,240,823	5,935,164
Net Deferred Tax Liabilities (Net):	**$ 5,240,823**	**$ 5,935,164**

NOTE 12 – SUBSEQUENT EVENTS

The Company has evaluated subsequent events through February 12, 2021 which is the date these financial statements were issued and has concluded that the following subsequent events have occurred that would require recognition in the financial statements or disclosure in the notes to the financial statements.

NOTE 13 – CORRECTION OF ERROR IN PREVIOUSLY ISSUED FINANCIAL STATEMENTS

Subsequent to the issuance of the Financial Statements as of and for the fiscal years ended December 31, 2018 on April 3, 2019, an error in deferred taxes was noted. The Company did not appropriately assess the impact of its tax positions during the year and did not record the deferred tax impact on the intangible assets acquired as part of the Bloomfield acquisition. Following the identification of this error, the Company adjusted the beginning balance of equity for the year ended December 31, 2019. The error was deemed to be an error in previously issued financial statements under ASC 250, “Accounting Changes and Error Corrections”. Management performed additional reviews and analysis of other financial statement line items on the statement of operations, reviewed our accounting policies and noted no additional corrections were required.

The following tables present the summary impacts on the relevant line items of the financial statements on our previously reported balance sheet and statements of operations as of and for the year ended December 31, 2018:

Effect on Balance Sheet

	December 31, 2018	Adjusted	As Corrected
ASSETS			
Non-Current Assets:			
Property and Equipment, Net	$ 8,751,327	—	8,751,327
Intangible Assets, Net	13,879,734	—	13,879,734
Goodwill	5,527,276	5,150,416	10,677,692
Other Assets	1,698,991	—	1,698,991
Total Non-Current Assets	32,307,328	5,150,416	37,457,744
TOTAL ASSETS	**$ 38,037,781**	**$ 5,150,416**	**$ 43,188,197**

NOTE 13 – CORRECTION OF ERROR IN PREVIOUSLY ISSUED FINANCIAL STATEMENTS *(Continued)*

	December 31, 2018	Adjusted	As Corrected
LIABILITIES AND MEMBER'S EQUITY			
Current Liabilities:			
Accounts Payable and Accrued Liabilities	$ 1,006,624	$ —	$ 1,006,624
Other Current Liabilities	841,004	—	841,004
Income taxes Payable	—	694,500	694,500
Current Portion of Notes Payable	3,170,551	—	3,170,551
Due to Related Parties	192,283	—	192,283
Total Current Liabilities	5,210,462	694,500	5,904,962
Non-Current Liabilities:			
Other Non-Current Liabilities, Net of Current Portion	853,653	—	853,653
Deferred Tax Liabilities	—	4,330,585	4,330,585
Total Non-Current Liabilities	853,653	4,330,585	5,184,238
TOTAL LIABILITIES	6,064,115	5,025,085	11,089,200
SHAREHOLDERS' EQUITY			
Common Stock	—	—	—
Additional Paid-In Capital	52,316,410	—	52,316,410
Accumulated Deficit	(20,342,744)	125,331	(20,217,413)
TOTAL SHAREHOLDERS' EQUITY	31,973,666	125,331	32,098,997
TOTAL LIABILITIES AND SHAREHOLDER'S EQUITY	**$ 38,037,781**	**$ 5,150,416**	**$ 43,188,197**

Effect on Statement of Operations

	December 31, 2018	Adjusted	As Corrected
Loss Before Provision for Income Taxes	$ (9,664,533)	—	$ (9,664,533)
Provision for Income Tax (Benefit)	—	284,584	284,584
Net Loss	**$ (9,664,533)**	**$ 284,584**	**$ (9,379,949)**

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

This management discussion and analysis, which we refer to as the "**MD&A**", of the financial condition and results of operations of MedMen NY, Inc. (the "**Company**") is for the years ended December 31, 2020 and 2019. It is supplemental to, and should be read in conjunction with, the financial statements for the years ended December 31, 2020 and 2019, and the accompanying notes thereto (the "**Annual Financial Statements**"). The Annual Financial Statements were prepared in accordance with accounting principles generally accepted in the United States of America, which we refer to as "**GAAP**".

The following discussion should be read in conjunction with, and is qualified in its entirety by, the Annual Financial Statements and the accompanying notes thereto. In addition to historical information, the discussion in this section contains forward-looking statements and forward-looking information (collectively, forward-looking information") that involve risks and uncertainties. Generally, forward-looking information may be identified by the use of forward-looking terminology such as "plans," "expects," "does not expect," "proposed," "is expected," "budgets," "scheduled," "estimates," "forecasts," "intends," "anticipates," "does not anticipate," "believes," or variations of such words and phrases, or by the use of words or phrases which state that certain actions, events, or results may, could, would, or might occur or be achieved. There can be no assurance that such forward-looking information will prove to be accurate, and actual results and future events could differ materially from those anticipated in such forward-looking information. Forward-looking information is subject to known and unknown risks, uncertainties, and other factors that may cause the actual results, level of activity, performance, or achievements of the Company to be materially different from those or implied by such forward-looking information. Such risks and other factors may include, but are not limited to: general business, economic, competitive, political and social uncertainties; general capital market conditions and market prices for securities; delay or failure to receive board or regulatory approvals; the actual results of future operations; operating and development costs; competition; changes in legislation or regulations affecting the Company; the timing and availability of external financing on acceptable terms; favorable production levels and outputs; the stability of pricing of cannabis products; the level of demand for cannabis product; the availability of third-party service providers and other inputs for the Company's operations; and lack of qualified, skilled labor or loss of key individuals. Although the Company has attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking information, including those set forth under the "Risk Factors" section and elsewhere in this Prospectus, there may be other factors that cause results not to be as anticipated, estimated or intended. Readers are cautioned that the foregoing list of factors is not exhaustive. Readers are further cautioned not to place undue reliance on forward-looking information as there can be no assurance that the plans, intentions or expectations upon which they are placed will occur. Forward-looking information contained in this MD&A is expressly qualified by this cautionary statement.

Financial information presented in this MD&A is presented in thousands of United States dollars ("$"), unless otherwise indicated. We round amounts in this MD&A to the thousands and calculate all percentages and per-share data from the underlying whole-dollar amounts. Thus, certain amounts may not foot, crossfoot, or recalculate based on reported numbers due to rounding. Unless otherwise indicated, all references to years are to our fiscal year, which ends on December 31.

This MD&A was prepared by management of the Company and is dated and presented as of March 26, 2021.

Business Overview

The Company is a retail seller and cultivator of medical cannabis and has received the necessary governmental approvals and permitting to operate medical cannabis dispensary facilities and a cultivation facility in the State of New York. The dispensary facilities are located in Buffalo (Williamsville); Long Island (Lake Success); Syracuse (Galeville); and New York City (Fifth Avenue). The cultivation facility is located in Utica.

We were founded in 2015 and operate in the State of New York. As of March 26, 2021, we employ approximately 75 people.

Our product portfolio consists of a range of cannabis product categories including concentrates, vapes, tinctures, ground flower and other cannabis-related products.

Results of Operations

Year Ended December 31, 2020 Compared to 2020

	Year Ended December 31,			
($ in thousands)	**2020**	**2019**	**Increase / (Decrease)**	
Revenue, net	$ 9,148,884	$ 9,189,298	$ (40,414)	(0.4 %)
Cost of goods sold	4,364,585	4,173,970	190,615	4.6 %
Gross profit	4,784,299	5,015,328	(231,029)	(4.6 %)
Gross profit %	*52 %*	*55 %*		
Operating expenses				
General and administrative	10,485,162	13,186,153	(2,700,991)	(20.5 %)
Sales and Marketing	14,000	1,617	12,383	n/m
Impairment	18,074,243	0	18,074,243	n/m
Depreciation and amortization	2,846,311	2,248,452	597,859	26.6 %
Total operating expenses	31,419,716	15,436,222	15,983,494	103.5 %
Operating loss	(26,635,417)	(10,420,894)	(16,214,523)	(155.6 %)
Other Expense:				
Interest expense	656	56,587	(55,931)	(98.8 %)
Other	0	410,444	(410,444)	(100.0 %)
Total Other Expense	656	467,031	(466,375)	(99.9 %)
Loss before income taxes	(26,636,073)	(10,887,925)	(15,748,148)	(144.6 %)
Income tax (benefit) expense	(2,275,616)	156,571	(2,432,187)	n/m
Net loss	(24,360,457)	(11,044,496)	(13,315,961)	(120.6 %)

Revenue

Revenue for the year ended December 31, 2020 was $9,148,884, compared to $9,189,298 in 2019. The decrease in revenue was due to COVID-19 related restrictions partially offset by increased revenue from broader product offerings.

Cost of Goods Sold

Cost of goods sold for the year ended December 31, 2020 was $4,364,585, compared to $4,173,970 in 2019, driven by increased mix of third-party products sold in our retail stores.

Gross Profit

Gross profit for the year ended December 31, 2020 was $4,784,299, representing a gross margin of 52%, compared to 55% in 2019.

General and Administrative Expenses

General and administrative expenses for the year ended December 31, 2020 was $10,485,162 compared to $13,186,153 in 2019. The decrease was primarily driven by lower payroll cost and other operating expenses.

Impairment

During the year ended December 31, 2020, management noted indicators of impairment of its long-lived assets due to the impacts of COVID-19. Accordingly, the Company recorded an impairment of $7,396,531 of its property which are included as a component of impairment expense in the accompanying statement of operations. In addition, the Company recorded a goodwill impairment loss in the amount of $10,677,692.

Income Tax Expense

Income tax expense is recognized based on the expected tax payable on the taxable income for the year, using tax rates enacted at year-end. For the year ended December 31, 2020, income tax expense totaled $2,275,616.

Since the Company operates in the cannabis industry, it is subject to the limitations of Section 280E of the Code, which prohibits businesses engaged in the trafficking of Schedule I or Schedule II controlled substances from deducting normal business expenses, such as payroll and rent, from gross profit (revenue less cost of goods sold). Section 280E was originally intended to penalize criminal market operators, but because cannabis remains a Schedule I controlled substance for federal purposes, the IRS has subsequently applied Section 280E to state legal cannabis businesses. Cannabis businesses operating in states that align their tax codes with the IRC are also unable to deduct normal business expenses from their state taxes. This results in permanent differences between ordinary and necessary business expenses deemed non-deductible under IRC Section 208E. Therefore, the effective tax rate can be highly variable and may not necessarily correlate with pre-tax income or loss, primarily driven by non-deductible expense.

Liquidity and Capital Resources

We are an emerging growth company and our primary sources of liquidity are operating cash flows and contributions from our parent company. We are generating cash from sales and deploying our capital reserves to acquire and develop assets capable of producing additional revenue and earnings over both the immediate and long term. Capital reserves are being utilized for acquisitions in the medical and adult use cannabis markets, for capital expenditures and improvements in existing facilities, product development and marketing, as well as customer, supplier, and investor and industry relations.

Financing History and Future Capital Requirements

To date, we have used contributions from our parent company as a source of liquidity for short-term working capital needs and general corporate purposes.

As of December 31, 2020, and 2019, the Company had total current liabilities of $8,852,487 and $6,621,052, respectively, and cash and cash equivalents of $733,811 and $297,150, respectively, to meet its current obligations.

Cash Flows

(in thousands)	Year Ended December 31, 2020	Year Ended December 31, 2019
Net cash used in operating activities	$ 4,552,123	$ 6,368,947
Net cash used in investing activities	775,440	8,559,892
Net cash provided by financing activities	5,764,224	14,498,851

Operating Activities

Net cash used in operating activities decreased by $1,816,824 during 2020, as compared to 2019, primarily driven by the decrease in general and administrative expenses.

Investing Activities

Net cash used in investing activities decreased by $7,784,452 during 2020, as compared to 2019, primarily due to decrease in construction spend and purchases of property and equipment.

Financing Activities

Net cash provided by financing activities decreased by $8,734,627during 2020, as compared to 2019, primarily due to decreased cash used in operating and investing activities.

Contractual Obligations and Other Commitments and Contingencies

As of December 31, 2020, the Company does not have material future contractual obligations other than the operating leases disclosed in the financial statements.

Off-Balance Sheet Arrangements

As of the date of this MD&A, we do not have any off-balance-sheet arrangements, as defined by applicable regulations of the Securities and Exchange Commission, that have, or are reasonably likely to have, a current or future effect on the results of our operations or financial condition, including, and without limitation, such considerations as liquidity and capital resources.

Quantitative and Qualitative Disclosures About Market Risk

We are exposed in varying degrees to a variety of financial instrument related risks. The Company mitigates these risks by assessing, monitoring and approving our risk management processes.

Credit Risk

Credit risk is the risk of a potential loss to us if a customer or third party to a financial instrument fails to meet its contractual obligations. The maximum credit exposure at December 31, 2020 is the carrying amount of cash and cash equivalents. We do not have significant credit risk with respect to our customers. All cash and cash equivalents are placed with major U.S. financial institutions.

We provide credit to our customers in the normal course of business. We have established credit evaluation and monitoring processes to mitigate credit risk but have limited risk as the majority of our sales are transacted with cash.

Liquidity Risk

Liquidity risk is the risk that we will not be able to meet our financial obligations associated with financial liabilities. We manage liquidity risk through the effective management of our capital structure. Our approach to managing liquidity is to ensure that we will have sufficient liquidity at all times to settle obligations and liabilities when due.

Market Risk

Market risk is the risk of loss arising from adverse changes in market rates and prices, such as interest rates, raw materials, and other commodity prices. Strategic and operational risks may arise if we fail to carry out business

operations and/or raise sufficient equity and/or debt financing. Strategic opportunities or threats may arise from a range of factors that might include changing economic and political circumstances and regulatory approvals and competitor actions. We seek to mitigate such risks by consideration of potential development opportunities and challenges.

Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Cash and cash equivalents bear interest at market rates. Our financial debts have fixed rates of interest and therefore expose us to a limited interest rate fair value risk.

Commodities Price Risk

Price risk is the risk of variability in fair value due to movements in equity or market prices. The primary raw materials used by us aside from those cultivated internally are labels and packaging. Management believes a hypothetical 10% change in the price of these materials would not have a significant effect on our annual results of operations or cash flows, as these costs are generally passed through to our customers. However, such an increase could have an impact on our customers' demand for our products, and we are not able to quantify the impact of such potential change in demand on our annual results of operations or cash flows.

COVID-19 Risk

We are monitoring COVID-19 closely, and although our operations have not been materially affected by the COVID-19 outbreak to date, the ultimate severity of the outbreak and its impact on the economic environment is uncertain. Our operations are ongoing as the cultivation, processing and sale of cannabis products is currently considered an essential business by the states in which we operate with respect to all customers (except for Massachusetts, where cannabis has been deemed essential only for medical patients). In all locations where regulations have been enabled by governmental authorities, we have expanded consumer delivery options and curbside pickup to help protect the health and safety of our employees and customers. The pandemic has not materially impacted our business operations or liquidity position to date. We continue to generate operating cash flows to meet our short-term liquidity needs. The uncertain nature of the spread of COVID-19 may impact our business operations for reasons including the potential quarantine of our employees or those of our supply chain partners or a change in our designation as "essential" in states where we do business that currently or in the future impose restrictions on business operations.

UNAUDITED PRO FORMA CONSOLIDATED STATEMENT OF OPERATIONS

Ascend Wellness Holdings, LLC

Pro Forma Consolidated Statement of Operations
(unaudited)

For The Year Ended December 31, 2020

UNAUDITED PRO FORMA CONSOLIDATED STATEMENT OF OPERATIONS

This Unaudited Pro Forma Consolidated Statement of Operations ("Unaudited Pro Forma Statement of Operations") of Ascend Wellness Holdings, LLC ("AWH" or the "Company") is prepared pursuant to Canadian National Policy Section 32.7 of Form 41-101F1—*Information Required in a Prospectus* and reflects the following transactions (collectively referred to as the "Transactions"):

- The acquisition of MOCA, LLC ("MOCA") on August 1, 2020 (the "MOCA Transaction");
- The acquisition of Chicago Alternative Health Center, LLC and Chicago Alternative Health Center Holdings, LLC (collectively, "Midway") on December 15, 2020 (the "Midway Transaction"); and
- The investment in MedMen NY, Inc. ("MMNY") pursuant to a definitive agreement entered into as of February 25, 2021 ("the "MMNY Investment").

The Unaudited Pro Forma Statement of Operations for the year ended December 31, 2020 gives effect to the Transactions as if they had been consummated on January 1, 2020. An Unaudited Pro Forma Consolidated Balance Sheet as not been prepared as the MOCA Transaction and Midway Transaction are reflected in the audited Consolidated Balance Sheet of the Company as of December 31, 2020, which is included elsewhere in this Prospectus, and the impact of the MMNY acquired assets is not material to the Company's Consolidated Balance Sheet.

All financial data in Unaudited Pro Forma Consolidated Statement of Operations is presented in thousands of United States Dollars ("USD") and has been prepared in accordance with accounting principles generally accepted in the United States ("U.S. GAAP"). The Unaudited Pro Forma Financial Statements reflect pro forma adjustments to the historical audited consolidated statement of operations of the Company (as described below) after giving effect to the Transactions.

The Unaudited Pro Forma Consolidated Statement of Operations was derived from the following, as presented elsewhere in this Prospectus:

- the audited consolidated financial statements of Ascend Wellness Holdings, LLC as of and for the year ended December 31, 2020 and the related notes prepared in accordance with U.S. GAAP (the "2020 Audited Financial Statements");
- the audited financial statements of MOCA, LLC as of and for the year ended December 31, 2020 and the related notes prepared in accordance with U.S. GAAP;
- the audited combined financial statements of Chicago Alternative Health Center Holdings, LLC and Affiliate as of and for the year ended December 31, 2020 and the related notes prepared in accordance with U.S. GAAP; and
- the audited financial statements of MedMen NY, Inc. as of and for the year ended December 31, 2020 and the related notes prepared in accordance with U.S. GAAP (collectively, the "Component Statements").

The historical consolidated financial information has been adjusted to give effect to pro forma events that are directly attributable to the Transactions for which there are firm commitments and for which the complete financial effects are objectively determinable.

The Unaudited Pro Forma Consolidated Statement of Operations is based on preliminary estimates, accounting judgments, and currently available information and assumptions that management believes are reasonable. The notes to the Unaudited Pro Forma Consolidated Statement of Operations provide a detailed discussion of how such adjustments were derived and presented in the Unaudited Pro Forma Consolidated Statement of Operations. The Unaudited Pro Forma Consolidated Statement of Operations should be read in conjunction with "Capitalization," "Summary Financial Information," "Management's Discussion and Analysis of Financial Conditions and Results of Operations," and the Component Statements and the related notes thereto, included elsewhere in this Prospectus. The Unaudited Pro Forma Consolidated Statement of Operations has been prepared for illustrative purposes only and is not indicative of the Company's results of operations had the Transactions actually occurred on the date indicated, nor is such pro forma financial information indicative of the results expected in any future period. A number of factors may affect these results.

Ascend Wellness Holdings, LLC
Pro Forma Consolidated Statement of Operations
For the Year Ended December 31, 2020
(Unaudited, Amounts Expressed in United States Dollar Unless Otherwise Stated)

(in thousands)	Ascend Wellness Holdings, LLC	MOCA	Midway	MMNY	Pro Forma Adjustments	Notes	Pro Forma Ascend Wellness Holdings, LLC
Revenue, net	$ 143,732	$ 21,626	$ 11,164	$ 9,149	$ (13,758)	**A**	$ 171,913
Cost of goods sold	(82,818)	(11,288)	(7,380)	(4,365)	7,174	**B**	(98,677)
Gross profit	60,914	10,338	3,784	4,784	(6,584)		73,236
Operating expenses							
General and administrative	53,067	6,095	962	13,345	1,278	**C, D**	74,747
Impairment	—	—	—	18,074	—		18,074
Total operating expenses	53,067	6,095	962	31,420	1,278		92,821
Operating profit (loss)	7,847	4,243	2,822	(26,636)	(7,862)		(19,585)
Other income (expense)							
Interest expense	(12,993)	—	—	(1)	(13,843)	**E**	(26,837)
Other income	7	—	—	—	—		7
Total other income (expense)	(12,986)	—	—	(1)	(13,843)		(26,830)
Loss before income taxes	(5,139)	4,243	2,822	(26,637)	(21,705)		(46,415)
Provision for income taxes	(18,702)	(3,153)	(81)	2,276	1,723	**F**	(17,937)
Net loss	(23,841)	1,090	2,741	(24,361)	(19,982)		(64,352)
Less: net loss attributable to non-controlling interests	1,599	—	—	—	(4,221)	**G**	(2,622)
Net loss attributable to Ascend Wellness Holdings, LLC	$ (25,440)	$ 1,090	$ 2,741	$ (24,361)	$ (15,761)		$ (61,730)
Net loss per unit attributable to Ascend Wellness Holdings, LLC — basic and diluted	$ (0.13)						$ (0.32)
Weighted-average units outstanding — basic and diluted	190,330				4,740	**H**	195,070

NOTES TO THE UNAUDITED PRO FORMA CONSOLIDATED STATEMENT OF OPERATIONS

MOCA Acquisition

Effective August 1, 2020 (the "MOCA Agreement Date"), the Company acquired MOCA, a dispensary operator in the Chicago, Illinois area for total consideration of $22,312. The transaction was treated as a business combination under Accounting Standards Codification ("ASC") Topic 805, *Business Combinations*, and MOCA was consolidated as a Variable Interest Entity ("VIE") between the MOCA Agreement Date and the closing date in December 2020. The business combination is accounted for by applying the acquisition method, whereby the assets acquired and the liabilities assumed are recorded at their fair values with any excess of the aggregate consideration over the fair values of the identifiable net assets allocated to goodwill. A preliminary purchase price allocation has been completed for this acquisition, which is included in Note 4 to the Company's 2020 Audited Financial Statements, included elsewhere in this Prospectus. The final fair value and purchase price allocation may differ from this preliminary determination.

Midway Acquisition

Effective December 15, 2020 (the "Midway Agreement Date"), the Company acquired Midway for total cash consideration of $28,000, subject to certain adjustments including a customary working capital adjustment. The transaction was treated as a business combination under ASC Topic 805, *Business Combinations*, and is consolidated as a VIE from the Midway Agreement Date through the final closing date, which is pending the state's approval of the license transfer. The business combination is accounted for by applying the acquisition method, whereby the assets acquired and the liabilities assumed are recorded at their fair values with any excess of the aggregate consideration over the fair values of the identifiable net assets allocated to goodwill. A preliminary purchase price allocation has been completed for this acquisition, which is included in Note 4 to the Company's 2020 Audited Financial Statements, included elsewhere in this Prospectus. The final fair value and purchase price allocation may differ from this preliminary determination.

Investment in MMNY

On February 25, 2021, the Company entered into a definitive investment agreement with MedMen Enterprises Inc. ("MedMen"), under which the Company will, subject to regulatory approval, complete an investment of approximately $73,000 in MMNY, a licensed medical cannabis operator in New York. In connection with the investment, and subject to regulatory approval, MMNY will engage the Company's services pursuant to a management agreement (the "Management Agreement") under which we will advise on MMNY's operations pending regulatory approval of the Investment transaction.

Under the terms of the investment, at closing, MMNY will assume approximately $73,000 of MedMen's existing secured debt, AWH will invest $35,000 in cash in MMNY, and AWH New York, LLC will issue a senior secured promissory note in favor of MMNY's senior secured lender in the principal amount of $28,000, guaranteed by AWH, which cash investment and note will be used to reduce the amounts owed to MMNY's senior secured lender. Following its investment, AWH will hold a controlling interest in MMNY equal to approximately 86.7% of the equity in MMNY, and be provided with an option to acquire MedMen's remaining interest in MMNY in the future. AWH must also make an additional investment of $10,000 in exchange for additional equity in MMNY, which investment will also be used to repay MMNY's senior secured lender if adult-use cannabis sales commence in MMNY's dispensaries.

The Company has included the results of MMNY in the Unaudited Pro Forma Consolidated Statement of Operations on the basis of the transaction being a probable acquisition during 2021.

Explanatory Notes

A. The Unaudited Pro Forma Consolidated Statement of Operations was adjusted to exclude $13,758 of revenue reflected in the consolidated results of AWH following the respective agreement dates for MOCA and Midway.

B. The Unaudited Pro Forma Consolidated Statement of Operations was adjusted to exclude $7,174 of cost of goods sold reflected in the consolidated results of AWH following the respective agreement dates for MOCA and Midway.

C. The Unaudited Pro Forma Consolidated Statement of Operations was adjusted to exclude $4,497 of general and administrative expenses reflected in the consolidated results of AWH following the respective agreement dates for MOCA and Midway. The Unaudited Pro Forma Consolidated Statement of Operations was also adjusted to exclude $502 of transaction-related expenses incurred by the Company during the year ended December 31, 2020 that are included in “General and administrative expenses” on the consolidated statement of operations in the Company’s 2020 Audited Financial Statements.

D. The Unaudited Pro Forma Consolidated Statement of Operations was adjusted to include $6,277 of additional incremental amortization of intangible assets as if the Transactions occurred on January 1, 2020.

E. The Unaudited Pro Forma Consolidated Statement of Operations was adjusted to include $13,843 of additional incremental interest expense on transaction-related financing, as if the Transactions occurred on January 1, 2020.

F. The Unaudited Pro Forma Consolidated Statement of Operations was adjusted to exclude $1,723 of income tax expense reflected in the consolidated results of AWH following the respective agreement dates for MOCA and Midway.

G. The Unaudited Pro Forma Consolidated Statement of Operations was adjusted to reflect an estimate of $4,221 of net loss attributable to the non-controlling interests of MMNY, as if that transaction occurred on January 1, 2020.

H. The Unaudited Pro Forma weighted-average units outstanding was adjusted to reflect the incremental units issued to MOCA as if that transaction occurred on January 1, 2020.